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BULGARIA

Scientific Institute Debates Leadership Choices

22000110 Sofia RABOTNICHESKO DELO
in Bulgarian 18 Jul 89 pp 1, 3

[Article by Evgeni Gavrilov: "Lessons in Democracy"]

[Text] Like every other Bulgarian establishment, the Kinetics and Catalysis Institute at BAN [Bulgarian Academy of Sciences] has a bulletin board where various announcements are placed. Maybe this is one of the places where the life's pulse of the organization is felt like in a human organism. And so, it was quite natural to put the temporary rules for electing the administrators of the Bulgarian Academy of Sciences scientific institute there a little over a month ago. During one of my visits to the institute, I noticed that next to them two caricatures (who knows where they came from), the subject of which was very much in the spirit of the time when our largest scientific institution was reviewing the relationship between director and subordinate.

These relations are truly very delicate, especially when referring to a scientific institute. Because just the position of chief in the sciences is hardly a guarantee for success. Sooner or later, in the end everything ends up in its proper place. But we cannot deny the fact that at times this happens at the expense of mutual trust between colleagues, of creativity replaced by administrative power, of the marked shortage of hellos and smiles in the institute's hallways, and of deformed individual relationships which slow down scientific research.

I was told at the institute that even before, things were not going very smoothly, but now the motivation for conflict (perhaps this sounds a bit strong, but this definition seems the most precise) has changed. It probably is so, but the reasons for the conflicts are hardly the most important factor. It is more important that they exist and ways to eliminate them must be sought. Naturally, there is a possible alternative, that is, controversy is unavoidable when we learn to practice democracy, even in science. Are we all ready for this? Hardly? I admit that in the beginning I supported the second proposition. But with my very first conversations I understood that the excuse "we are not mature enough for such democracy" should be eliminated.

The beginning of the controversy probably cannot be defined exactly, but this is unnecessary. Furthermore if we are unable to eliminate them successfully, I presume, it would not have been possible for the Kinetics and Catalysis division to grow into an independent institute some years ago. During my visits there I noted that the task confronting me is as difficult as it is easy. Easy, because what can be simpler than meeting with various people, presenting their opinions and letting everyone decide for himself which side is right. Difficult, because I was dealing with complicated interrelationships which cannot always be weighed on Themis's scales. At such

times, I think, it is most helpful to be sincere with others and I feel all conversations were sincere.

The academician Dimitur Shopov, founder and director of the institute for many years, said it this way:

"Lately, the question of who will become the director has been worrying me constantly since I have made a final decision to leave this position. I simply feel that my health does not permit me to stay in it any longer. Naturally, I immediately thought of my two assistants: Prof Atanas Andreev, and Senior Research Assistant Luchezar Petrov. I have weighed the pros and cons for a long time. The two are different. Andreev is a better scientist, he is always being quoted in highly respected scientific journals. On the other hand, Petrov has much better qualities as an organizer than his colleague.

Lately, I agreed more and more with the opinion that Luchezar Petrov has not yet 'matured' enough to be the director. I had been ill for a long time, but, as they say, I was still in the game, and he was already feeling as if he were my successor. At the same time he wanted to be promoted to professor as soon as possible. Personally I do not see him as chief, because I am afraid he might implement military-style administrative methods. I called him one time and proposed to agree on the candidacy of Atanas Andreev. He did not agree. I told him to think about it and to come back and talk about it again. This did not happen. I cannot understand this hunger for power. It is not characteristic of a true scientist."

The principal candidates for director are nominated at the meetings of various sections. They are Academician Dimitur Shopov (nominated, according to him, in spite of his objections), Senior Research Associate Luchezar Petrov, and Senior Research Associate Slavcho Rakovski. It is surprising that Prof Atanas Andreev was not among the candidates.

"I have never wanted to be director. My goals in science are different. I feel that at this time, Academician Shopov is the most appropriate person to be director. For this reason, as soon as I found out that he was nominated, I withdrew my candidacy at the initial section meeting" he explained.

A little before the general meeting of the institute there was another meeting for members of the election committee and research associates with doctorates. At that time Prof Andreev again withdrew his candidacy. It was expected that Senior Research Associate Luchezar Petrov would do the same and this way the only candidate left would be the incumbent director, Academician Dimitur Shopov. Petrov promised to do it at the meeting itself, however he did not withdraw his candidacy. At the meeting, Senior Research Associate Slavcho Rakovski withdrew his candidacy. So that in the last stage of the "battle" two candidacies took shape. After voting, Senior Research Assistant Luchezar Petrov got 21 votes for the position of director. Nineteen voted for Academician Dimitur Shopov; one vote was invalidated.

I am consciously avoiding mention of the speeches at the meeting. Their level is registered in the record.

There is no record of subsequent meetings.

We can judge them only by the participants' words.

Acad Dimitur Shopov: "At the meeting, instead of withdrawing his candidacy as he had previously promised, Petrov presented a platform which, actually, I had proposed. If I had not talked with him in advance, I think, this gaffe would have been avoided. He divided the institute with his action. I will no longer be director, but I am concerned about the future of the Institute. It is not important who heads it; high moral values are more important. I have presented all I have said now in a letter to the BAN Presidium."

Actually, another letter sent to the BAN Presidium also exists. It is signed by 8 of the 12 senior research assistants of the institute. Among them is Senior Research Assistant Atanas Palazov, chairman of the election committee, and Senior Research Assistant Nikolay Kotsev, secretary for science affairs at the institute. They were unanimous: "Luchezar Petrov's action disappointed us. When Acad Shopov became ill he was already imagining himself the director. If Luchezar Petrov had stated that he would fight to the end, then Shopov would have stepped down and would have nominated Andreev. Then the two assistant directors would have competed under equal conditions. Actually, even in this case Atanas Andreev could have withdrawn his candidacy, however then, Luchezar Petrov would have become director the proper way. We are not against him; we are against the way he did it. There were no procedure violations of the election itself, however, work at the institute is suffering because of the resulting situation. After writing the letter, we familiarized Luchezar Petrov with its contents."

It seems that it is time to hear the other side. Senior Research Assistant Luchezar Petrov's position was categorical:

"It is true that Acad Shopov called me. The conversation, however consisted generally in that he would nominate Atanas Andreev for director and if he is not elected he would do something to bring someone from outside. I am being accused that I had not acted ethically by promising to withdraw my candidacy and then not doing it. And is it not unethical to practically prohibit me from presenting my candidacy along with anyone else? I think no one has the right to do this. Furthermore, for me the argument that I had promised to withdraw my candidacy and then did not do it, is not valid. One measures all pros and cons and reconsiders to the last moment. Regarding my platform, it cannot be fundamentally different from the Institute's program which is a common cause. If you read the record from the meeting you will note nuances."

Senior Research Associate Slavcho Rakovski's statement was even more categorical:

"We were given the opportunity to present our opinions and develop our position for the first time. This is why the people from the old administration jumped at us. Why didn't they vote for Acad Shopov? I think he tolerates certain individuals in the institute. We have unused facilities and resources."

Insinuations started immediately after the lawful election of the new director. They admit there weren't procedure violations, but all kinds of protests and disclaimers were directed to the BAN Presidium. The tendency of those dissatisfied with the results to discredit the election is obvious.

Maybe the fact that a list of the people who dared vote against the incumbent director appeared, should be considered part of this tendency. This by itself can be used as a commentary on the words of Research Associate Georgi Kadinov, MS Chemistry, that the resulting situation makes people lose faith and not taking into consideration their opinions would be disastrous for the institute's future. The tension is felt everywhere, and this hampers work, added Research Associate Nina Kostova, MS Chemistry, in charge of the party group.

After I finished my visits and conversations at the Kinetics and Catalysis Institute at BAN, I was fully convinced of one thing: There is no one there who is not concerned about its future. For this reason I must agree with the words of Research Associate Rumyana Kurdzhieva, MS Chemistry, that if it becomes necessary to bring someone from outside to be director and to solve their problems, then she would vote against him with both hands.

I think that only efforts to remove polarizations in the institute can be appropriate for a good microclimate; to ensure that traditions and unified action are accepted in implementing new ideas. In one of the institute's laboratories I heard that like in science, in democracy too, everything starts with an experiment. Its foundation, in spite of all the difficulties, has been laid. Now it is important not to discontinue the experiment.

While the above material was being prepared for publication, the BAN Presidium set up a special commission to conduct a detailed investigation of the election and subsequent controversy. After this investigation and after careful evaluation of all "pros" and "cons," the BAN Presidium confirmed Senior Research Associate Luchezar Petrov as the director of the Kinetics and Catalysis Institute.

HUNGARY

Justice Official on Need for Criminal Law Reform

25000377a Budapest NEPSZABADSAG in Hungarian
18 Jul 89 p 7

[Interview with Dr Tamas Jakucs, chief of the Criminal Law Division, Ministry of Justice, by Laszlo Szabo: "Criminal Code of Law: The Judge Must Have a Hard Time"; date and place not given]

[Text] Judges must have a hard time if they intend to proceed pursuant to the provisions of the Criminal Code

of Laws now in force, let's say regarding matters involving the economy. While life has transcended a host of old constraints, and entrepreneurship and the entrepreneurial spirit have become the guiding principles of the economy, criminal law provisions continue to demand the enforcement of the concepts that have been transcended. Criminal law must also be removed from other areas it regulates. On the other hand, criminal law must be strengthened to provide for the increased protection of human rights. All this suggests that many provisions of today's Criminal Code cannot be used, or may be used only lightly. How long can this situation last? Dr Tamas Jakucs, chief of the Criminal Law Division, Ministry of Justice responds.

[Jakucs] It cannot last for long. We are witnesses of and participants in a political transition. A new constitution is coming into being, this fact demands a reexamination of criminal law and the definition of new rules in the framework of criminal law, responsive to the new political institutional system and arrangement. First of all, however, we must find out which criminal rules may serve as obstacles to the political transformation during the transition period. We can see already that the fastest change must take place with regard to criminal acts against the state. There is full agreement in both political and professional circles that this cannot wait until the new constitution is established. We have already completed our preparatory work. In doing so, our guiding principle was that with regard to acts against the state the defense in criminal law must concentrate on the constitutional order; the legislative proposal takes the most pronounced action against changing the constitutional order by the use of force. This also means that in the future the Criminal Code will not restrict political processes, and that it will not include rules in the area of political crimes which, although supported by ideology, are difficult to grasp from a legal standpoint, and which provide opportunities for unlimited legal interpretations. The legal criteria for incitement will be changed accordingly. It is permissible to criticize those in power. As planned, in the future the Criminal Code will restrict the free proclamation of political views only to the extent that it prohibits the incitement of hatred just because someone belongs to a political group, race or gender.

Magistrates?

[NEPSZABADSAG] The institution of preliminary detention, the subject of much criticism today, by all means affects the Criminal Code as a whole. They say that in order to make discovery easier, they order the preliminary detention of persons even if that is not altogether warranted; prolonged investigation frequently extends the period of preliminary detention to an unwarranted length. The real guarantee would be if the courts rather than the prosecutor's office could order preliminary detention. Can we expect an amendment regarding this matter?

[Jakucs] There is ongoing debate concerning this subject in professional circles. A legislative proposal is being

prepared according to which the restriction of one's civil rights could be ordered only by a judge, even during investigation. According to these perceptions, a judge would decide whether preliminary detention is warranted, based on the prosecutor's motion and after hearing the suspect. This idea instantly conjures up the introduction of the institution of magistrates. The idea is not alien to me either, but its realization would require that we reform the entire criminal procedure, and I do not see a possibility for such reform within a year or two. In professional circles of course, this question is raised not in the form of when this institution should be established, but whether it should be established at all.

[NEPSZABADSAG] In the absence of a magistrate dealing only with these kinds of things, such matters would also be handled by judges already barely visible behind their case load. What is going to happen? Their existing workload already is not small, yet it was increased by cases involving the court of registry. In the foreseeable future the administrative court of law will appear, and would you say that now, even the matter of preliminary detention will be added? If a judge takes his job seriously, even a decision regarding preliminary detention requires preparation, thorough circumspection, and time. And if he does not spend time on these cases, perhaps because he cannot spend the time needed, would it not be better to leave this matter to the prosecutor whose workload is smaller? What do you think?

[Jakucs] The comment you just made is in accordance with my sentiments. Because we are providing certain well defined principles in vain if there are problems realizing them. It is a well established societal endeavor that anything that could substantially affect the rights of people should be channeled through the judiciary. We must help to make these endeavors prevail. But without conditions any judicial decision becomes a formality, therefore the conditions must be established.

Rubber Provisions

[NEPSZABADSAG] The economic provisions of the Criminal Code also need to be reformed. Have you reviewed the individual sections already?

[Jakucs] We did not even have to review these, because anyone vaguely familiar with the Criminal Code will know that the rules of criminal law served to protect the earlier system of economic management. This is so at a time when criminal law protection should be accorded against actions which disturb market conditions, or violate the principles of or restrain the market economy. Accordingly, we also have our work cut out in this area, and this must be accomplished in the short term. And of course, we also have long-term tasks. Unfortunately, even short-term regulatory activities are made more complicated by the absence of a stable economic base, a functioning system, which could guide us to matters that need to be protected by the economic provisions of criminal law. There are no particular problems with the

classic cases, such as forging money and tax fraud. These are not dependent on a changing or a new economic structure. But there are quite a few situations we are unable to deal with.

[NEPSZABADSAG] Do you have speculation in mind? This is one of those crimes which gave the broadest opportunity for criminal law enforcement in the economic area.

[Jakucs] Even today there is great debate in this regard simply because of the transitional situation. In my view there exists a continued need for a concept like this in criminal law, because Hungary's economy is still a shortage economy. Mainly in commerce, one can observe outward conduct which significantly violates the interests of consumers, and on top is clearly destined to raise prices. Perhaps in the framework of a structurally complete, pure market economy there will not be a need for a criminal law category called "speculation."

[NEPSZABADSAG] Except that the Criminal Code regards as speculation not only an unauthorized act in commerce, or an undertaking which lacks authority. It also views a middleman consummating a sale of some merchandise as speculation, if the middleman's role is not justified from an economic standpoint. Even under our present economic conditions one could not legally circumscribe the latter activity, because the undertaking would have financial consequences, at most. But one could hardly expect an entrepreneur to render legal judgment as to whether his actions as a middleman are justified from an economic standpoint.

[Jakucs] There is a view which holds that this section of the Criminal Code disturbs the processes of economic transformation. But I disagree with this view. The debate goes on.

[NEPSZABADSAG] Don't you think that life has transcended the foreign exchange and customs rules of the Criminal Code?

[Jakucs] In my view, the kinds of conduct which most gravely violate the rules should also be sanctioned in the future. But the reexamination and winnowing of the foreign exchange and customs code is really unavoidable. Actual court cases demonstrate that a multitude of people frustrate foreign exchange rules, while the authorities leniently close their eyes. All this deteriorates the credibility of the law, and indeed these kinds of things do not fit into the concept of a constitutional state.

Expanding the Right to Defense

[NEPSZABADSAG] Will the rights to defense be expanded?

[Jakucs] It would be fashionable to say that suspects' rights to defense will be fundamentally changed. Such change, however, is out of the question, because the law on criminal procedure now in force not only declares, but guarantees these rights. It is yet another issue that the

opportunities for activities by the defense must be, and can be expanded. Beginning with the start of an investigation an opportunity must be established, for example, for the suspect to be in touch with the defense attorney. At the same time, the fact that attorneys, certainly because of their large case loads, do not always take advantage of existing opportunities available to the defense also plays a part. We must establish a stronger provision for the complainant, the one who suffered a loss, in the framework of criminal procedure.

[NEPSZABADSAG] I am aware of the fact that a reexamination of the various types of punishments is in progress. Where do we stand in this regard?

Prison-Centered Sentencing

[Jakucs] We are examining mainly the possibility of abolishing the death penalty. Parliament has already deleted the death penalty in the category of political crimes. With regard to so-called ordinary crimes a majority of the public supports the death penalty. But without intending to offend anyone, let me amend my statement right now by saying that in general the public supports more stringent sentences. And this is logical, because unavoidably, every person will place himself into situations—what if some serious crime had been committed against his person? Perhaps our viewpoint will convince the public. We have in mind some extended, 25- to 30-year or longer loss of freedom, which would be capable to offset the fear manifested by society, and which virtually suggests the kind of protection society now believes to exist as a result of the death sentence.

[NEPSZABADSAG] And insofar as general sentencing principles are concerned, I feel that in Hungary the practice of sentencing is still centered around prisons.

[Jakucs] Indeed, I believe that the scope of acts to be punished according to the Criminal Code exclusively by the loss of freedom must be narrowed further. In this context we must think through particularly the need for short prison sentences, as well as punishments and actions which serve as substitutes for short sentences. Incidentally, these problems did not arise just now, the idea had already surfaced by the time the present Criminal Code was prepared, and as far as I know other countries also try to accomplish similar results in the framework of their criminal laws.

[NEPSZABADSAG] You are pressed by time.

[Jakucs] True, but by no means do we want to examine criminal rules hastily. If for no other reason, because these rules affect every person's fundamental civil rights. In a different context, however, they serve to protect society.

Delegate on Vote for Party Congress Seats

25000383 Budapest NEPSZABADSAG in Hungarian
24 Jul 89 p 7

[Interview with Gyula Kartyas, Budapest 8th District party committee first secretary: "Race for Mandates to the Party Congress"; date and place not given.]

[Text] For decades there was no competition for mandates to the party congress. Delegate selection was based mostly on the basis of timely political or social roles. Things are different today. The party membership is trying to select and authorize its delegates as directly as possible, and in the most controllable manner. Many methods were developed to accomplish this and to establish individual guarantees.

In the 8th District of Budapest for example, 14 election precincts were organized and delegate meetings held in each of them. As authorized by the basic organizations, this time 10 percent of the party membership cast direct votes for delegates to the congress, in contrast to previous district party conferences where only 2 percent of the membership voted.

District party committee First Secretary Gyula Kartyas became a delegate to the congress only by holding the confidence of a majority of the party members in all 14 regions. Accordingly, the most stringent conditions were established in regard to him, because for the rest of the candidates votes cast in their respective precincts were sufficient. It is characteristic of the situation that at the delegate meeting of the postal services they demanded that Kartyas discuss his political philosophy, and acknowledge to which trend he belongs, and with which member of the party presidium he would prefer to be affiliated with. Kartyas gave a diplomatic answer to this question: He is not affiliated with individuals, he supports the organization. Also in his case the delegates decided to cast a secret ballot. Kartyas won anyway, only two persons voted against him.

[NEPSZABADSAG] Why is the struggle for mandates so keen? What does this reflect?

[Kartyas] I believe that it reflects a lack of confidence. This can only be restored by democratization, observable decency and openness. At this time everything is taking place out in the open, face to face. Unfortunately, the fact that the party apparatus is frequently chastised also plays a role. Not without cause, of course, but the fact that often the most decent party workers are not protected from the general stigma has also had an effect. The picture that has evolved in this way is not favorable, therefore many have felt that by circumventing the apparatus they can influence the outcome of the congress, so that the congress indeed does what the membership wants.

[NEPSZABADSAG] And what does the membership want?

[Kartyas] Policies which can be proven by results, after all for a decade now the party has suffered many fiascos. The membership wants to elect party leaders capable of drawing conclusions, and of making matters succeed. Since new leaders will be chosen from among the delegates, in the districts, in Budapest, and in the cities they want to know well the persons who receive their mandate. They are curious about their political profiles, their personalities, their ability to debate and their individual character. Prior to the congress they want to be convinced in many ways about their delegates' suitability. I have no doubt: Even in the last minute they may exchange candidates they do not trust.

[NEPSZABADSAG] Obviously, this also applies to you.

[Kartyas] Yes, I will know my duty if I am recalled.

[NEPSZABADSAG] Will you relinquish your post as first secretary?

[Kartyas] Naturally.

[NEPSZABADSAG] According to your information, why did the party membership insist on convening a congress, why were they not satisfied with a party conference?

[Kartyas] The lessons learned at the May party conference are reflected in this. The party membership believes that a congress has a greater and more lasting impact. And perhaps the fact that it is different and better if a congress brings about a consensus in party leadership also contributed to this. The membership wants a competitive party program and a leadership capable of winning. For this reason it wants to become substantively involved in policy formulation.

[NEPSZABADSAG] Frankly speaking, the competition in terms of politics and philosophical approaches was not strong among the candidates here. Was it this way also in the rest [of the precincts]?

[Kartyas] I see things differently. Also here there were nominations for several candidates, accordingly the mandates were acquired through competition. In addition to myself, the postal workers selected another congressional delegate, and two delegates from Budapest. The nominees presented their thoughts and ideas. Along with all this, many minor, or seemingly minor ideas surfaced, which can be used to build on later on. Desirable and useful political goals were discussed at the delegate meetings. But to realize these one needs a professional team.

[NEPSZABADSAG] Do you have the apparatus in mind?

[Kartyas] No, even though we have a well trained, good apparatus here. Its help and work is indispensable. We will put together a team from delegates and from among the best experts, giving it the task to complete the district's political program.

[NEPSZABADSAG] Has there been a change in residential neighborhood work?

[Kartyas] We have started establishing political centers. Our club is already functioning at Szigony Street, and two more will be established in Jozsefvaros. We are being helped, and will be helped, in the maintenance and operation of the clubs by the district cultural center. We are financing the clubs out of the party committee's surplus income, and in the Budapest City Council's open competition we won 250,000 forints jointly with the district cultural center. There is a program every day in the club for children or for adults. Quite naturally we are also organizing political events, debate forums and informational meetings. The important thing today is that the party membership and the populace get accustomed to coming there. And this is only the beginning. Because at Szigony Street the residential basic organization has been established already.

[NEPSZABADSAG] Am I mistaken if I note that you established these clubs in National Assembly districts?

[Kartyas] No, you are not mistaken, because we are already preparing for the elections. And as I said, this is just the beginning.

[NEPSZABADSAG] And the "end"?

[Kartyas] We hope the end will be a success. We have confidence in the congress and in ourselves. Nothing comes more naturally than our desire to win also in the elections.

Another party conference will be held in the district in early September. There a balance sheet will be established in regard to preparedness for the congress, and a program will also be adopted. It is certain that the delegates will not arrive unprepared at the conference.

Youth Organization Offshoot Focuses on Individual Sovereignty

25000380 Budapest NEPSZAVA in Hungarian
22 Jul 89 p 7

[Interview with Ferenc Gyuresany, one of the founders of the political group "Uj Nemzedek" ("New Generation"), by Athena Gorog: "'New Generation' To Hold Organizational Meeting Today—In Focus: The Sovereign Citizen"; date and place not given]

[Text] The political group "New Generation" holds its organizational meeting today at the Teachers Academy in Zsambek. We asked Ferenc Gyuresany, one of the founders of the organization why the organization split from the Democratic Hungarian Youth Organization [DEMISZ] two months after its establishment, and what role "New Generation" is intended to play in Hungarian society. Previously Gyuresany served as secretary of the Communist Youth Organization [KISZ] Central Committee, then became vice chairman of the DEMISZ.

[NEPSZAVA] I have in my hands your statement of intentions which begins as follows: "We have learned bitter lessons. Half solutions lead nowhere. We have had enough of empty organizational efforts, we have had enough of self-serving interest to gain power veiled by manifestations of radicalism. We are leaving, and we are starting out." What are you leaving and where are you going?

[Gyuresany] Old and new elites are struggling for power. We have no time to wait for the struggle to end. While political organizations and parties are preoccupied with themselves and with each other, a young generation that has lost its virtues, values, and examples is roaming around in this country. Quite frequently, debate concerns only political prestige, but thousands of young people have no home, unemployed youth has become part of our daily life, our yesterdays are becoming increasingly useless, and so is the knowledge acquired today in tomorrow's economy. Meanwhile, increasingly larger groups of young people do not acquire the skills they need. Accordingly, we are starting out, watching that new persons who expropriate causes will be unable to replace the old ones, so that we can make decisions about ourselves on our own behalf.

[NEPSZAVA] If I am not mistaken, you said all this, if not in these same words but in similar terms at the spring KISZ congress. Your election to become vice chairman of the DEMISZ may be attributed to your statement. What prompted you to turn your back on the DEMISZ and to split from the DEMISZ in a spectacular way two months after being elected?

[Gyuresany] I am aware of the fact that time was very short, but it was sufficient for me to realize that the KISZ-DEMISZ transformation is stalemated. An objective transformation is impossible. The leader-follower debate has also gained strength. Let's just see who were the ones who in earlier days became members of the KISZ at workplaces and at school? Those who hoped for some improvement in their situation by joining. On the other hand, local-interest representation at the workplace was better performed by trade unions and by student self government at schools. The notion that people would have joined KISZ basic organizations to support some kind of policy is out of question. At the same time the KISZ leadership used this as a basis to legitimize its own situation. It agreed to play a direct role in party politics, and regarded itself as part of the political elite. And this contradiction became increasingly apparent and increasingly untenable. The KISZ was built on an establishment which clearly kept itself apart [from the membership]. The DEMISZ was also unable to change this situation.

[NEPSZAVA] I have some difficulty in believing that you would not have known this in the spring....

[Gyuresany] But that's how it was. In those days I was unable to accurately articulate what I can clearly see by now. It has occurred to me of course that I have

disappointed those who trusted in me, who saw in me some kind of a chance for change. I have weighed the situation and found it to be more appropriate and more ethical to state that we should not continue with this any longer. Accordingly, my leaving the DEMISZ should not at all be traced to personal considerations, my motivations are based on principles and political considerations. I am not the type of person who calculates on "survival." I saw—quite a few of us saw—that only some organizational changes are taking place as a result of the establishment of the DEMISZ. The basic conditions were untouched. Accordingly, the congress represented only a half turn. And a few of us wanted to see a full turn.

[NEPSZAVA] If this is so, let's return to "New Generation." How would you characterize your intentions?

[Gyuresany] We do not have a program to save the nation, and we don't believe that we must say all kinds of bad things about our milieu. It is our view that we must transcend the point which leads nowhere, where those in power are set against society, the right is set against the left, and populists are set against urbanites. In terms of political conduct we want tolerance, equality and solidarity to prevail. (In a historical and a cultural sense, these attributes are traditional left-wing values.) The sovereign citizen is the focal point for New Generation. We do not regard compromise among political parties to be the pinnacle of democracy, instead we profess that as long as a society consists of sovereign citizens they will be able to defend themselves, and that they cannot be forced to do anything. We believe that a dictatorship is unable to exert pressure on a sovereign person.

[NEPSZAVA] This is an extremely idealistic perception, don't you think?

[Gyuresany] A person is capable of developing for himself a separate, independent life if he establishes his social relationships and existence. In consequence, those in power depend on us sovereign people, and not the reverse. This is what we feel is the primary task, to restore the citizen, the family, local autonomy in their own rights. Our economic program is centered around entrepreneurship. There is a need for tens of thousands of small- and medium-sized entrepreneurs. In this regard we identify with the government position.

[NEPSZAVA] Being aware of your past in the KISZ, and in pondering this conversation we are having today, it is my view that your perception is far from all that you professed as a youth leader.

[Gyuresany] It is indeed far from that communist faith which prevailed for decades—except for the past one or two years. This is so, because the prevailing communist principle renders the individual a servant of the community. In contrast: We place the person, the citizen in the center. The stumbling small human being who yearns for love, and for a peaceful, calm, balanced and secure life.

[NEPSZAVA] Is this the direction you wish to legitimize today in Zsambek?

[Gyuresany] Yes, and we hope that many of those to whom today and tomorrow is at least as important as the past will join us. Because in regard to us having been cheated, the debate concerning yesterday will help, but we can get a handle on today's miseries only through sober discussion about the present and the future, on which political cooperation and a new social practice can be built. We expect to see those who accept this and want to help. We are not preparing a program. We expect the membership to prepare its own program. Our principle is this: "Do not choose a program! Do not entrust yourself instantly to others! Try first to define for yourself what you want!"

[NEPSZAVA] New Generation will be a party, and if so, does it want to participate in the trilateral negotiations?

[Gyuresany] A great debate is going on in this regard. In six months I will be able to tell you more about this. We do not intend to participate in the negotiations, because we cannot envision our functioning on any of the sides. Social communications with our members are more important than to join particular power struggles.

[NEPSZAVA] What resources nourish this policy which is "devoid of politics"? Who are the ones who have an impact on the new organization?

[Gyuresany] I would prefer to talk about the effects of trends and directions than of the effects of parties and organizations. The way interests are dealt with outside of parties may be observed in a few Western organizations, and we like those. Here in Hungary we are undoubtedly affected by the "citizen day" experiment held in Budaors, or the "movement of those who see the truth" which is going on in high schools. The latter is one form of direct democracy. We like the initial moral purity of our country's alternative organizations. They had the courage to be called citizens. Later on, however, very soon they found the path to become a party, and we are not following this path.

[NEPSZAVA] New Generation is not a youth organization. Why?

[Gyuresany] The multitude of concerns and troubles experienced by youth no longer are the problems of the young generation. They are society's problems. Quite a few people in this country today are sensitive to this problem, and are tied to the existential concerns of youth if in no other way but through their children. It would be a shame to limit New Generation to being a generational ghetto.

[NEPSZAVA] In regard to new organizations the question of whether the organization will acquire a [popular] base is always raised. Whom are you counting on?

[Gyuresany] We are counting on those who have had enough of all that has happened thus far. We want to be sober, we do not want to create virtue out of kicking

others. This is not our policy. It is our principle that "politics is not a sacrament that stands above everything else. You and Me are of the essence. Together with our humanity, our faith, our love, and our disappointments. Uprising is not everything. We must go somewhere and do something." We proclaimed New Generation by placing our trust in this statement, hoping that people will find us.

Rules for Internee Pension Supplements Published

25000381a Budapest NEPSZABADSAG in Hungarian
22 Jul 89 p 4

[Hungarian Telegraph Agency (MTI) report: "500 Forints Per Month (250 For Widows) Pension Supplement For Former Internees"]

[Text] A Council of Ministers decree which settles the situation of persons held in custody by police authorities (internees) from the standpoint of labor law and social security was published in MAGYAR KOZLONY No 45, 1989. In order to facilitate the exercise of rights relative to matters involving social security, the National Social Security Chief Directorate calls attention to the following:

The organizations which pay pensions will increase by 500 forints per month the amount of pension (agricultural, cooperative benefits) to be paid to persons in their own right, who were interned between 1949 and 1953, provided that such pensioners so request, and further provided that such pensioners attach to the letter of request an official certificate issued by the Ministry of the Interior concerning the internment. Accordingly, the first step would be to obtain the official certificate. It would be advisable to reference the social security number on the basis of which payments are made not only to the organization that pays the pension benefits, but also in the letter addressed to the Ministry of interior. The decree provides that official certificates may be issued until 31 December 1992. The Ministry of the Interior shall refuse to issue an official certificate if the internee has been convicted, and if such conviction has been rendered final, for war crimes or crimes against the people. The above-mentioned provision does not apply to persons whose time spent in internment has been taken into consideration in calculating time in service.

Widows shall receive 250 forints per month widow's pension (widow's benefits), provided that they obtain the official certificate from the Ministry of the Interior concerning their husband deceased prior to 1 August 1989, and provided that they submit such certificate to the organization which pays the pension. The situation is the same with regard to persons receiving parental pensions or payments to support children of interned persons who died as pensioners.

A widow shall receive this increase even if she is entitled to a separate pension in her own right, and if such a pension is being paid because this pension is higher than it would otherwise be.

The increase will be paid retroactively for six months beginning on the first day of the 6-month period, but in no event earlier than 1 August 1989 when the provision goes into effect. This is to be calculated from the day the organization which pays the pension received the official certificate.

The legal provision provides for an opportunity for pensioners and widows of pensioners not to receive the above-mentioned increase in pension payment, but instead for the organization which pays the pension to include the actual time spent in internment in calculating time in service provided that the pensioner or the widow of the pensioner expressly so requests. In such instances provisions of the law upon which the original pension was based shall be applied. Since earlier laws pertaining to pensions are less favorable than present laws, and since previous earnings are much lower, in most instances the increase of 500 and 250 forints respectively will be more favorable than the changed pension payment after taking into consideration the time spent in internment as part of the time in service. (The time spent in internment has no significance in the context of the 500 and 250 forints pension increases, of course.)

For persons retiring after 1 August 1989 the time spent in internment between 1949 and 1953, as certified by the Ministry of the Interior, shall be considered part of time in service, pursuant to general provisions. Nevertheless a retiring person will receive a total of 500 forints even if as a result of such calculations the pension would not increase, or would increase by an amount less than 500 forints.

Since time in service has no significance in calculating agricultural or cooperative benefits, such benefit levels must be determined also in the future with an increase of 500 forints or 250 forints respectively in their own right, provided that the beneficiary has an official certificate issued by the Ministry of the Interior.

POLAND

Christian Democrats Issue Political Program Summary

26000631 Warsaw LAD in Polish No 28, 9 Jul 89 p 4

[Program summary issued by the provisional main administration of the Christian-Democratic Labor Party on 2 May 1989: "The Program of Christian Democracy for Today's Poland"; first three paragraphs are LAD introduction]

[Text] At the time that its main administration decided, on 18 July 1946, to suspend the operation of the Labor

Party, the party was carrying out an obligatory program passed at the first congress which was held on 18 July 1945.

Today, after a lapse of 44 years, that program, in its time both pathfinding and innovative, clearly needs to be updated to take into consideration the changing conditions of Polish life and the problems that Poland faces today.

The next Labor Party congress, which we are now preparing, will adopt a new program for the Labor Party in its finalized and mandatory form. This program will be tailored to the new requirements mentioned above. The adoption of a new program should be preceded by a wide-ranging discussion on a Christian-Democratic program for today's Poland. We invite all those individuals and communities that share our feeling that we are mutually responsible to ensure that Christian Social Values shape the life of our country. As a starting point for this discussion, please accept the schema presented below of an updated version of the summarized 1945 Labor Party program. In presenting it, we wanted to join together the elements of continuity that constitute the ideological identity of the Labor Party with the necessity to provide answers to the problems of collective life that face our nation today. Points 10 and 17-22 retain the original wording of the text from the 1945 program.

An Abbreviated Labor Party Program

The Christian-Democratic Labor Party, operating in the postwar period as the unique Polish political grouping representing the Christian-Democratic current, suspended its operations in Poland in order to protest the decision of the authorities not to permit the party's congress. The main administration of the party, suspended operations by means of a binding legal resolution dated 18 July 1946.

In renewing our activity at the present time, we are faced with a dual task: the continuation of our interrupted work, in accordance with the ideological-political program laid out at the time, and the need to answer the dramatic questions that currently confront Polish society.

The text presented below is an updated version of the abbreviated Labor Party program announced on 18 July 1945. In this way, we are opening a discussion whose aim is to prepare a full program for the Christian-Democratic Labor Party. This program will be passed at the Party Congress which is now in the preparation stages. Given its nature, the text includes a proposal for defining the position held by the Christian-Democratic movement only, with reference to the most fundamental principles and ideological-political problems. We would like the final shape of the Labor Party program to be the fruit of a discussion held throughout the movement in all Christian-Democratic milieus.

1. The Labor Party is a political representation of Poles who recognize Christian-Democratic principles. The

Labor Party stands on a foundation of Christian national and democratic principles: law and order and social justice. The Labor Party expresses the need to create, cultivate, and protect the social-Christian ethical principles which should constitute the basis of the legal order.

2. On the basis of religious freedom, tolerance, and equality before the law of the various religious faiths, a special value should be placed on the role of the Roman Catholic Church, due to its ties with the history of Poland (including its present-day ties) and due to the fact that it constitutes the majority of the members of Poles.

3. The separation of church and state must be understood as synonymous with the guaranties of the world view of the state, in which no religious should have an official or privileged position.

4. The Polish state is the property of the nation, which plays the role of a landlord in it. In accordance, however, with Polish historical tradition, the Labor Party recognizes the valid rights of the country, and likewise takes into account the welfare of other states and nations.

5. The Christian-Democratic Labor Party rejects all forms of totalitarianism and the domination of force over the law, and stands on the foundation of full, integral political and social democracy, comprehended in a personalistic manner and, consequently, aiming at the unfettered development of the human personality in harmony with the needs of the whole.

6. The state should surround the family with special care, protecting the life of the unborn and ensuring help to families who are blessed with many children.

7. We attach special importance to the pressing housing problem. Guaranteeing housing to the young generation is a necessary condition for halting the dangerous phenomenon of the flight of the most active young people from Poland.

8. Parents have the right to determine the direction of their children's upbringing. They ought to have the freedom to choose a school and to exert influence over the workings of the school. This is conditioned by the execution of a radical reform of the school system. The Labor Party will support the development of nonstate schools, including schools with a religious affiliation.

9. The Labor Party strives to develop the territorial, socioeconomic and cultural-educational self-government as an important element of democracy. This self-government should take over from the hands of the state all functions that can be performed by smaller social groups.

10. The Labor Party rejects all forms of privilege demanding an equal start for all.

2) The endogenous component of American income growth is not an independent variable, as it depends on the exogenous component, the improvement of productivity and technology, which in turn depends on the institutional system.

22 The University of Michigan, 1998, 1999, 2000, 2001, 2002, 2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022, 2023, 2024, 2025, 2026, 2027, 2028, 2029, 2030, 2031, 2032, 2033, 2034, 2035, 2036, 2037, 2038, 2039, 2040, 2041, 2042, 2043, 2044, 2045, 2046, 2047, 2048, 2049, 2050, 2051, 2052, 2053, 2054, 2055, 2056, 2057, 2058, 2059, 2060, 2061, 2062, 2063, 2064, 2065, 2066, 2067, 2068, 2069, 2070, 2071, 2072, 2073, 2074, 2075, 2076, 2077, 2078, 2079, 2080, 2081, 2082, 2083, 2084, 2085, 2086, 2087, 2088, 2089, 2090, 2091, 2092, 2093, 2094, 2095, 2096, 2097, 2098, 2099, 2100, 2101, 2102, 2103, 2104, 2105, 2106, 2107, 2108, 2109, 2110, 2111, 2112, 2113, 2114, 2115, 2116, 2117, 2118, 2119, 2120, 2121, 2122, 2123, 2124, 2125, 2126, 2127, 2128, 2129, 2130, 2131, 2132, 2133, 2134, 2135, 2136, 2137, 2138, 2139, 2140, 2141, 2142, 2143, 2144, 2145, 2146, 2147, 2148, 2149, 2150, 2151, 2152, 2153, 2154, 2155, 2156, 2157, 2158, 2159, 2160, 2161, 2162, 2163, 2164, 2165, 2166, 2167, 2168, 2169, 2170, 2171, 2172, 2173, 2174, 2175, 2176, 2177, 2178, 2179, 2180, 2181, 2182, 2183, 2184, 2185, 2186, 2187, 2188, 2189, 2190, 2191, 2192, 2193, 2194, 2195, 2196, 2197, 2198, 2199, 2200, 2201, 2202, 2203, 2204, 2205, 2206, 2207, 2208, 2209, 2210, 2211, 2212, 2213, 2214, 2215, 2216, 2217, 2218, 2219, 2220, 2221, 2222, 2223, 2224, 2225, 2226, 2227, 2228, 2229, 2230, 2231, 2232, 2233, 2234, 2235, 2236, 2237, 2238, 2239, 2240, 2241, 2242, 2243, 2244, 2245, 2246, 2247, 2248, 2249, 2250, 2251, 2252, 2253, 2254, 2255, 2256, 2257, 2258, 2259, 2260, 2261, 2262, 2263, 2264, 2265, 2266, 2267, 2268, 2269, 2270, 2271, 2272, 2273, 2274, 2275, 2276, 2277, 2278, 2279, 2280, 2281, 2282, 2283, 2284, 2285, 2286, 2287, 2288, 2289, 2290, 2291, 2292, 2293, 2294, 2295, 2296, 2297, 2298, 2299, 2300, 2301, 2302, 2303, 2304, 2305, 2306, 2307, 2308, 2309, 2310, 2311, 2312, 2313, 2314, 2315, 2316, 2317, 2318, 2319, 2320, 2321, 2322, 2323, 2324, 2325, 2326, 2327, 2328, 2329, 2330, 2331, 2332, 2333, 2334, 2335, 2336, 2337, 2338, 2339, 2340, 2341, 2342, 2343, 2344, 2345, 2346, 2347, 2348, 2349, 2350, 2351, 2352, 2353, 2354, 2355, 2356, 2357, 2358, 2359, 2360, 2361, 2362, 2363, 2364, 2365, 2366, 2367, 2368, 2369, 2370, 2371, 2372, 2373, 2374, 2375, 2376, 2377, 2378, 2379, 2380, 2381, 2382, 2383, 2384, 2385, 2386, 2387, 2388, 2389, 2390, 2391, 2392, 2393, 2394, 2395, 2396, 2397, 2398, 2399, 2400, 2401, 2402, 2403, 2404, 2405, 2406, 2407, 2408, 2409, 2410, 2411, 2412, 2413, 2414, 2415, 2416, 2417, 2418, 2419, 2420, 2421, 2422, 2423, 2424, 2425, 2426, 2427, 2428, 2429, 2430, 2431, 2432, 2433, 2434, 2435, 2436, 2437, 2438, 2439, 2440, 2441, 2442, 2443, 2444, 2445, 2446, 2447, 2448, 2449, 2450, 2451, 2452, 2453, 2454, 2455, 2456, 2457, 2458, 2459, 2460, 2461, 2462, 2463, 2464, 2465, 2466, 2467, 2468, 2469, 2470, 2471, 2472, 2473, 2474, 2475, 2476, 2477, 2478, 2479, 2480, 2481, 2482, 2483, 2484, 2485, 2486, 2487, 2488, 2489, 2490, 2491, 2492, 2493, 2494, 2495, 2496, 2497, 2498, 2499, 2500, 2501, 2502, 2503, 2504, 2505, 2506, 2507, 2508, 2509, 2510, 2511, 2512, 2513, 2514, 2515, 2516, 2517, 2518, 2519, 2520, 2521, 2522, 2523, 2524, 2525, 2526, 2527, 2528, 2529, 2530, 2531, 2532, 2533, 2534, 2535, 2536, 2537, 2538, 2539, 2540, 2541, 2542, 2543, 2544, 2545, 2546, 2547, 2548, 2549, 2550, 2551, 2552, 2553, 2554, 2555, 2556, 2557, 2558, 2559, 2560, 2561, 2562, 2563, 2564, 2565, 2566, 2567, 2568, 2569, 2570, 2571, 2572, 2573, 2574, 2575, 2576, 2577, 2578, 2579, 2580, 2581, 2582, 2583, 2584, 2585, 2586, 2587, 2588, 2589, 2590, 2591, 2592, 2593, 2594, 2595, 2596, 2597, 2598, 2599, 2600, 2601, 2602, 2603, 2604, 2605, 2606, 2607, 2608, 2609, 2610, 2611, 2612, 2613, 2614, 2615, 2616, 2617, 2618, 2619, 2620, 2621, 2622, 2623, 2624, 2625, 2626, 2627, 2628, 2629, 2630, 2631, 2632, 2633, 2634, 2635, 2636, 2637, 2638, 2639, 2640, 2641, 2642, 2643, 2644, 2645, 2646, 2647, 2648, 2649, 2650, 2651, 2652, 2653, 2654, 2655, 2656, 2657, 2658, 2659, 2660, 2661, 2662, 2663, 2664, 2665, 2666, 2667, 2668, 2669, 2670, 2671, 2672, 2673, 2674, 2675, 2676, 2677, 2678,

[illegible]

24. *Escherichia coli* strains are not as diverse as previously estimated, and the number of serotypes is smaller than previously reported. We agree (Proc. Natl. Acad. Sci. USA 95:10101-10106).

Peasant Party Seeks New Program To Revitalize Countryside

• The \mathcal{L}_{ZSL} and $\mathcal{L}_{\text{ZSL}} + \mathcal{L}_{\text{ZSL}} + \mathcal{L}_{\text{ZSL}}$ configurations are significantly better than the \mathcal{L}_{ZSL} baseline. The addition of the second Maximum Overlap (MO) condition, satisfied together by the ZSL Main Condition and the \mathcal{L}_{ZSL} condition, is enough to ensure that \mathcal{L}_{ZSL} is strong enough to reach high accuracy. The $\mathcal{L}_{\text{ZSL}} + \mathcal{L}_{\text{ZSL}}$ configuration is the PSN1000 configuration [11] and shows $\sim 14\%$ improvement in accuracy. The proposed $\mathcal{L}_{\text{ZSL}} + \mathcal{L}_{\text{ZSL}} + \mathcal{L}_{\text{ZSL}}$ configuration with all three conditions is the best configuration (N1000 [11] and P1000) and the \mathcal{L}_{ZSL} condition is the most important condition.

denies them the title of peasant parties. The ZSL, which came about as a negation of the authentic peasant movement, can be reborn only as a continuation of the PSL, it was said during the discussion.

- Many ZSL branches consider the program insufficient. The plenum of the ZSL City Committee in Bialystok unanimously expresses a vote of distrust for the entire ZSL Main Committee. The adopted resolution states that the new program of the Peasant Party should be based on a modified concept of agrarianism and that the name, Polish Peasant Party, should be restored.
- The plenum of the ZSL Main Committee has expressed a vote of confidence for the president and members of the presidium. At the same time, it is for a return to the name, Polish Peasant Party, which may occur at the Extraordinary Congress in the fall.
- Three ZSL college organizations at Warsaw University, the Main School of Farming as well as the Main School of Planning and Statistics have organized an opposition part. The national gathering "unanimously agrees that the current ZSL formula as that of a peasant party is unacceptable and incapable of being maintained. Aside from its historical aspects, i.e., the method, time and motives for the formation of the ZSL, this party is characterized by a number of flaws (including also the lack of independence) of which the most discrediting flaw is the nonfulfillment of the basic service role with regard to rural areas and farmers—the ZSL has not and does not represent, and has not and does not defend effectively the interests of peasants. This is clearly demonstrated by the wave of protests and strikes by peasants that is spreading throughout the country—the largest since the Great Peasant Strike in 1937" (this declaration was made in April). The National Social Committee for the Rebirth of the Peasant Movement was appointed. "The organized movement has made its main goal the striving to transform the ZSL into a modern, peasant party with roots imbedded strongly in historical tradition. (...) The fundamental act of historical justice demands that the party carry a historical name—the Polish Peasant Party." An extraordinary congress, to be convened from the lower ranks, was announced.
- A group of old PSL members with Witold Kulerski, secretary of the Main Council during the 1940's; two deputies from the PSL to the Constituent Sejm and others form the so-called council of seniors. They write the following, among other things, in the issued declaration: "The Polish Peasant Party was not only a political representation of rural Poland but also a national party which expressed the desires and aspirations of an overwhelming majority of society (...). The main force of the communist party organized according to Stalinist standards was directed toward overpowering the rural areas and their authentic political representation. (...) Hindering the functioning of the Polish Peasant Party was a tragedy not

only for the peasant movement but a tragedy on a nationwide scale (...) The United Peasant Party [ZSL] did not and still does not constitute a continuation in either an ideological-political or socioeconomic sense of the independent peasant movement. The ZSL has conformed completely to the 'controlling role of the party' and its doctrines; it has renounced the input of the PSL, deriving its origins from agency-like structures of the 'rural sector' of the KPP and the PPR. It has also never made efforts to represent the real interests of rural Poland, peasants and farming. It has always supported the successive ruling parties and always acceded to party decisions even if they were detrimental to the peasants and hindered the development of rural areas. The council of seniors feels that depriving the peasants and rural areas further of political, economic and cultural sovereignty will not only lead to the degradation of social life in all of its aspects but will undermine the foundations of national well-being."

- On 23 June, the first congress of the "independent peasant movement" was held in Warsaw in which representatives of 10 voivodships took part. The congress passed a resolution pertaining to the resumption of SL activity in the country and selected the PSL Provisional National Council with Jozef Teliga as chairman. The congress "deplores the lack of coordination in the attempts thus far of resuming PSL activity" and "is appealing for the unification of the independent peasant movement" within the framework of a joint preliminary commission of the national congress of PSL delegates. This group is termed as an "opposition political party."
- The following is the opinion expressed by the NEUE ZUERCHER ZEITUNG: "There is quarreling everywhere. It appears to be the worst in the peasant party."

YUGOSLAVIA

Federal Judge on Passport Laws, Restrictions

28000165b Zagreb DAVIS in Serbo-Croatian
1 Aug 89 pp 22-23

[Interview with Dr Rafail Cijan, judge on the Federal Court, by Djuro Zagorac: "A Tragicomic Prohibition", date and place not given]

[Text] The tumultuous political events in Montenegro which culminated on 11 January of this year have been viewed and perceived in various ways. Here is how it was reported on the spot to viewers by the Titograd TV reporter: "Titograd does not recall such popular gaiety as this afternoon on this beautiful day in January. At 1420 hours, a long dance line was formed by the people following the last announcement of the Organizing Committee from the door of the Assembly. The gaiety spread to all the nearby streets, and those who found it cramped here went off to Ivan Milutinovic Square. One could

even hear pistol shots, that is the custom. After a brief chanting of 'take away their passports,' the song 'Yugoslavia' began to resound."

The supreme public humiliation and condemnation of leaders who have been driven out, then, should be the taking away of their travel documents so as to limit the freedom of their movement. It is not important to our purpose here whether any of the officials in those upheavals had his passport taken away. It is more important to see how much political and moral force there is behind that demand, which could easily be brought about, since there are grounds for it in the statutes in effect governing the questions of issuing and taking away the travel documents of Yugoslav citizens.

And those who say that basic human rights and freedoms are being violated in Yugoslavia point their finger at the discretionary right of the police under certain circumstances to deprive anyone of his international travel document. This regulation has remained in effect even though Yugoslavia took an active part in the preparation and adoption of the Universal Declaration of Human Rights, which was adopted way back in 1948. Article 13 of the Declaration reads: "Everyone has the right to leave any country, including his own, and to return to his country." The provision under which law enforcement authorities can infringe on this universal right of the citizen is contrary to the Declaration referred to. In evaluating whether this is required by "protection of public order or the interests of defense of the country," the police may refuse to issue a passport to a citizen or take it away from him.

An Internal Matter

In all, there have been 12 statutes enacted since 1949, when the issues of travel documents were first regulated in law in the new state. The statute which is now in effect was adopted in mid-1979. How could the police have been given such a powerful "discretionary right"?

"From the very outset, there were certain prohibitions in these statutes," says Dr. Rafail Cijan, judge on the Federal Court, whom we called on for help in clarifying this issue, "in that the first statutes contained a prohibition on issuing a passport, say, to minors without parental consent, to persons serving a prison sentence or against whom criminal proceedings are being conducted, but also to persons whose travel abroad had not been 'sufficiently justified.' The power of authorities responsible for issuing passports lay in the authority to evaluate whether 'justified grounds' existed for travel abroad. Protection of the court was not provided for those whose applications were refused. As can be seen, the rudiments of the present arrangement were there."

[DANAS] The key question is how to square the statute in effect with the Declaration on Human Rights?

[Cijan] The restrictions instituted through the present law, which dates from 1979, have their basis in the International Covenant on Civil and Political Rights,

which was signed in New York in 1966 and which Yugoslavia ratified in its own law in 1971. Under that document, the right to leave any country, including one's own, may be restricted only if this is necessary to protect national security, public order, public health or morality, or the right and freedom of other persons.

[DANAS] It follows, then, that this statute is no sin at all against the international declarations and the obligations which our country assumed thereby, and that this is then our own "internal matter"?

[Cijan] The biggest problem, in my opinion, is that nowhere has the law spelled out specifically what is meant by "protection of public order or interests of defense of the country," so that it is left to the authority itself to determine on its own in each individual case whether a violation of public order or of the interests of national security has occurred or could occur. When we add that in those cases the law enforcement agency is not required to state the grounds on which it arrived at that conclusion, then one can understand much more easily why not only in the general public, but also in a considerable segment of the professional public, there is suspicion as to whether this authority has always been applied in keeping with the law. Even the courts have been tolerating certain cases of excessive or improper exercise of this authority.

[DANAS] It is also thought by some that the International Covenant on Civil and Political Rights has not even been well-"understood" in our country and that it has been variously interpreted in the country.

[Cijan] Yes, the translation of this document into Croato-Serbian differs from the translation in Slovenian. The former translation says that the issuance of a passport may be restricted when required for "protection of public order (poredak)," while the Slovenian translation refers to the need for "protection of public order (red)." I personally think that the Slovenian translation is "more faithful to the original" and that this is an additional difficulty in interpreting the cases of restriction and in defining their scope.

Labels and Suspensions

[DANAS] Honorable citizens also suffer from this right of the police to refuse to issue a passport to someone. How is this to be limited, how are the innocent to be separated from the guilty, who certainly exist in any society and who must also have their police "files"?

[Cijan] No one, of course, is either completely fair or completely infallible. Many such things occur in actual life, mistakes are made, but that is why no one in a democratic society can have a monopoly over the truth. The truth is proven or refuted exclusively with facts, and no one is to be guilty until his guilt is proven, and that with the convincingness of facts and arguments, and certainly not in any other way.

Otherwise, an abyss of suspicion is opened up and one enters the world of labels in which there is no possibility for defense, justification, or explanation.... That world of labels and suspicions is the worst of all worlds, worse even than accountability and punishment itself. And it all begins with a tiny stream which slowly becomes a large and broad river which has hundreds of dirty little branches. When a citizen's right to a passport is denied, he begins to live with the fact that somewhere something is wrong with him, that somewhere some crisis of confidence has occurred, that he stepped in the mud somewhere, that there is some kind of information on him to that effect, some kind of a file which is being kept somewhere and which someone peaks into from time to time and makes him miserable, and sometimes does more than that....

[DANAS] We have had 10 years' experience with this issue by now. Certainly, what has been learned is of significance to the courts, in particular the Federal Court, in which the most persistent citizens place their last hope.

[Cijan] The Federal Court has deliberated this on two occasions. The last time in a joint session with the republic and provincial supreme courts and the Supreme Military Court a specific conclusion was adopted to the effect that the administrative agency is required in the proceedings of applying this provision of the law to adhere to the principle of interrogating the party, and also to establish all the facts which are of importance to adoption of a lawful ruling. Only in exceptional cases is the administrative agency not required to make known to the party the evidence and data of a confidential nature.

In an administrative dispute, however, the court judges on the basis of the evidence in the record whether the decision contested was made after proceedings were conducted lawfully and also whether the administrative agency established all the facts of importance to making a lawful decision. In practice, this means that the record in the case must contain evidence which will convince the court that the provision of the law referred to has been soundly and lawfully applied in the specific case.

[DANAS] There are said to be tragicomic prohibitions based on this right of the police to act in good time to protect "the system," or to preserve the "country's defensive interests." Could you quote to us some such example from experience?

[Cijan] Perhaps the most characteristic example is that of a citizen who twice during 1983 attempted to bring a certain amount of coffee into the country without paying duty, 8 kg the first time and 4 kg the second. He was fined for customs violations. In the judgment of law enforcement agencies, the citizen had by these actions done harm "to the reputation and international interests of the SFRY," and his passport was taken away on those grounds. He appealed to the Supreme Court of Slovenia,

which judged that the competent authorities had acted in accordance with regulations.

The Federal Court, however, in ruling on the individual's appeal did not accept as proper the view taken by the administrative agency and the Supreme Court of Slovenia to the effect that grounds existed for taking away the passport. In the assessment of the Federal Court, the conclusion could not be drawn from this individual's behavior that there are elements indicating a threat to the system and the basic institutions of law and order of the SFRY, nor that the interests of national defense required that his passport be taken away, and it quashed that measure.

The Rights of Those Seeking Asylum

[DANAS] It is well-known that a large number of our citizens have sought and are seeking "political asylum" in West Germany and that the government of that country has threatened us that if the number of applicants for asylum does not decrease to a reasonable measure, visas will again be required for all our citizens going to that country. The authorities are depriving a sizable number of citizens of the right to possess a passport through internal control and the discretionary right of law enforcement agencies that has been referred to. Are these citizens seeking "asylum" also from the Federal Court?

[Cijan] There have been such cases. For example, during a stay abroad one of our citizens did not respect the statutes of the country he was visiting and was therefore arrested and then deported to Yugoslavia by the authorities of that state. The law enforcement agencies concluded that the citizen had thereby done damage to the "international and other interests of the SFRY." The Supreme Court of Serbia also found that the proceedings had been conducted properly and that the decision made was lawful.

In the view of the Federal Court, however, in such cases the passport can be taken away or its issuance refused only if it is established to a certainty that the citizen was involved in activities which truly do damage to the country's international and other interests. In and of itself the fact that during a visit abroad a person has committed a breach of the statutes of the country he is visiting and has been deported from that country need not also mean that the breach automatically constitutes doing damage to the reputation of the SFRY. The damage, then, cannot be assumed, it must be proven, and for that reason the Federal Court quashed the decision of the law enforcement agencies.

[DANAS] Certainly, the case of Vojislav Seselj is also interesting; after his trial in Sarajevo and after serving his sentence (which was twice reduced), he was also left without a passport. What was the reasoning of the Federal Court in granting Seselj's appeal?

[Cijan] In examining the demands of that individual, the Federal Court found that it could not with certainty

evaluate the lawfulness of the decision contested as to whether the impediments prescribed by law obtained that constitute grounds for not issuing a passport. That is, from the record submitted and the disputed decisions it was not possible to draw a conclusion as to what impediments were involved, so that a verdict was rendered which supported that individual's demand.

[DANAS] In a letter addressed to the Yugoslav public, Jovanka Broz, for example, also complained that the authorities had taken away her passport and thereby infringed on her basic rights. Would you please comment on this case as well?

[Cijan] I am not familiar with that case, but I can say that the procedure in the case of Jovanka Broz must be the same as with any citizen of the SFRY. The agency which took away the passport must offer valid grounds for that decision.

It is also my personal opinion that Comrade Jovanka Broz would be among the last people to which grounds of "protecting the system and defense of the country" would apply.

[DANAS] Now that we are talking about respected names and media personalities, would you also comment on the dilemma of Aleksandar Karadjordjevic, the heir to the throne who was not to become king, who expressed to the reporter of the magazine START to the effect that his legal advisers were not certain whether he could go in safety to Kosovo and attend the celebration of the 600th anniversary of the battle of Kosovo. The case is obviously interesting from a legal standpoint, and we would like to know whether the authorities would, for example, arrest this Karadjordjevic?

[Cijan] I think that there would be no legal basis for this action of judicial authorities. The AVNOJ decision prohibited the return to the country of Peter II Karadjordjevic, and a decision of the Constitutional Assembly

on 29 November 1945 officially abolished the monarchy and Yugoslavia thereby became a republic. That act put an end to the monarchy and kings in Yugoslavia, so I see no valid reason why any of the king's offspring should be accused on that basis.

[DANAS] What if one of the war criminals should come to the country?

[Cijan] It is well-known that if judicial authorities discovered such a person, they would indict them, since neither in our own nor international law is there a statute of limitation on war crimes.

[DANAS] Let us return again to "ordinary" citizens and the basic problem: To what extent does the provision of the Law on Travel Documents, Article 43, Paragraph 5, hang like a sword over citizens who now that the country is opening up economically have a still greater need for reliable possession of a passport?

[Cijan] As far as I know, this issue has been raised once again with the Constitutional Court of Yugoslavia. An answer is being demanded of that court: Can a citizen's passport be taken away without his being informed of the grounds? The judges have presented their opinion in the preliminary discussion, and I hear that the initiative has been honored and that the Constitutional Court of Yugoslavia will soon issue a final decision on this.

One can forecast from the reactions of individual judges that the court will proclaim that provision unconstitutional and the power of the police to decide whether to issue someone a passport or not or to take it away from him will very soon disappear. Those who will rejoice to be able to obtain a Yugoslav passport once again include, it is said, the son of Milovan Djilas, Aleksa Djilas, whose ill mother in Belgrade is said to long more for Yugoslav authorities to "rehabilitate" her son, let them do as they please about her husband.

GERMAN DEMOCRATIC REPUBLIC

Future Tasks of Quartering Troops Outlined

23000204 East Berlin MILITAERTECHNIK
in German No 4, 1989, pp 172-173

[Article by Col H.-J. Weinert: "Tasks and Development of the Quartering Service of the National People's Army and of the Border Troops of the GDR"]

[Text]

1. Tasks of the Quartering Service

The Seventh Meeting of the SED emphatically demands consistent implementation of measures for extensive intensification of all areas of the economy. In this connection, it is particularly significant to fulfill the political, military, and military-economic tasks with the best results. Activities contributing to the consistent maintenance of supply, consumer, and utilization standards and to the determined raising of these standards must thus also be included, as is the call for economical use of consumer goods, energy sources, and water, as well as rational utilization of service and working time.

The quartering service is assigned an important role in observing this responsibility in the Armed Forces.

Under garrison conditions, this responsibility includes the following three tasks, among others:

The first task is to operate all buildings, construction facilities, and permanent technical installations as well as movable assets—accommodation equipment, technical means and equipment of the quartering service and fire fighting equipment—according to regulation, to maintain and repair them, in order constantly to assure usefulness and maintenance of their useful quality.

Second, according to plan the troops must be supplied with movable basic goods and consumer goods, as well as with energy sources and water, meaning the important preconditions for their accommodation, in order to maintain combat ability and battle readiness to carry out troop work, as well as to assure a high level of service, working and living conditions.

The third task is to deploy the available forces including the material and financial means with ever increasing productivity, quality, and efficiency, to guarantee superior order and to keep the burdens on the national economy to a minimum.

These tasks make it clear that with its specific opportunities the quartering service influences the successful training and an orderly implementation of service in a multitude of ways. Thus, it has a delimited, but therefore no less great, political, military, and military-economic responsibility.

Each commander directly commands the head of the quartering service. This immediate subordination indicates on the one hand the high value placed on assured quartering under garrison conditions, and on the other hand the basis for extensive and qualitative fulfillment of the tasks. Goal-oriented and consistent leadership of the quartering service assures the fulfillment of the above-mentioned tasks in all their complexity.

2. Development of the Quartering Service

Since the formation of the quartering service in January 1971, the spiritual potential, the knowledge and abilities as well as leadership readiness of those who belong to the Army and the civilian employees of our service have developed according to plan.

With the number of planned positions having remained approximately constant, the share of cadres with secondary education or master's qualification grew to nearly one-third, while the share of professional groups without specialist qualification dropped to about 5 percent. Simultaneously, the number of buildings and permanent technical installations to be taken care of increased fourfold. At present the movable assets represent a value of several hundred million marks. The reduction in the specific cost of human labor for the basic investments since 1971 by nearly 45 percent is proof that the quartering service was able to meet the greater demands at the right time and in many areas intensified successfully and extensively.

A high point in the development of the quartering service was the first conference of the quartering service of the National People's Army and GDR Border Troops, held on 13 October 1987 under the motto "High Reliability and Efficiency in Military Construction and Quartering—Our Contribution to Assure the Required Level of Combat Capability and Readiness as well as to Improve Service, Working and Living Conditions."

Participants were the heads of all quartering services, numerous chiefs, commanders and leaders, as well as representatives of the central board of the union of civilian employees of the National People's Army.

At the conference a successful balance sheet could be shown for the 15-year existence of the quartering service. The development in the areas of material-technical and energy supply, the maintenance of the value of building investments and movable assets as well as the performance opportunities were evaluated, and the corresponding tasks established.

In his final words, Lieutenant General Kaiser evaluated the conference as a useful exchange of experience, pointing the way to the future. He referred to the principal points in the central performance comparison of all quartering services. In recognition of model performances, eight troop units and installations were awarded a certificate of honor on behalf of the Minister for National Defense.

A central performance comparison of all quartering services of the National People's Army and the Border Troops was undertaken for the first time in 1988. It showed that the initiatives inspired by evaluating the conference brought a noticeable increase in growth. For example, the share of workmen, voluntary mass initiatives and performance by the troops themselves in maintaining value was raised by more than 30 percent.

In solving the tasks it has proved successful to include members of the Army early on and according to plan. Initiatives, such as those of the Albert Haessler ground force unit, which give the soldiers personal responsibility for billet wardrobes, or the decisions by the deputy minister and chief of the GDR Border Troops to form nonstructural repair troops in each unit to support the structural maintenance forces of the quartering service, in large measure contributed to the further improvement of the service and living conditions of the soldiers and border soldiers, even without requiring additional funds. In the energy field, thanks to determined work by the Hermann Matern civil air defense command/air defense unit, energy consumption could be reduced by 40 percent over 1986. This result shows that in this department by no means all reserves have been opened up.

The best results in meeting all the criteria of the performance comparison were achieved by the quartering services of the John Schehr, Ernst Moritz Arndt and Johann Philipp Becker units, the Etkar Andre unit of the civil air defense command/air defense and the Hans Kollwitz GDR Border Troop unit, as well as the Theodor Winter and Peter Lamberts units belonging to the People's Navy, and the Wolgast base. They helped, among other things, to meet 101.1 percent of the 1988 maintenance quota, to increase the share of their own performance by about 3.5 million marks, to assure a stable heat supply by consistently remaining below the energy consumption limits and to improve noticeably the furnishings of the billets and the careful use of the furniture.

Focal Points of the Work

Based on the central duties, three important focal points emerge for the members of the quartering service.

A first task is reliably to supply the troop section, units and facilities of the National People's Army and the GDR Border Troops with the movable assets and consumer goods of the quartering service.

In so doing, the available means should be concentrated in order to develop service, working and living conditions and to refine the material preconditions for the spiritual-cultural life of the units with an attractive level of furnishing in clubs and housing units. On a larger scale, individual initiatives should be developed for this. In order to open up additional performance reserves, new paths must be trodden, and the practice-related work, based on norms and reference points, must be accelerated for a differentiated application of the available funds. It must further be assured that the quartering

equipment is handled with care and consideration. Subjective consumption desires and the use of means for purposes other than the intended ones must be excluded.

Second is the task of increasing efficiency in the maintenance of building investments and movable assets of the quartering service according to plan.

For this purpose, the results of the central performance comparison undertaken for the first time in 1988 must be thoroughly evaluated at all command levels. This result must be generalized and consistently used in order to fulfill or overfulfill all partial plans in a purposeful manner and to raise the share of everyone's own output.

Productivity and capability in all quartering service facilities must be gradually increased by means of centralization and specialization measures.

The third task is to ensure a reliable energy supply for the troops, and to use energy rationally and economically.

As a precondition for this, those responsible must effectively direct the drawing up of object-specific concepts for rational energy use. The goal for 1995 is to lower the increase in energy requirement by 5 percent over 1989. All opportunities resulting from the "Military-Economic Thought—Energy-Conscious Action" initiative must be utilized with broad effect.

The fulfillment of these goals presumes close cooperation between the leader of the quartering service and the commander.

On the part of the commander, it is necessary:

- continuously to include the tasks for assured quartering in the command activity,
- directly to command the head of the quartering service and to ensure his participation at official meetings, coordination discussions, reporting, etc.,
- to assure discipline and order in handling material assets,
- to guarantee the appropriate use of all assets, including the personnel of the quartering service, and
- to organize the required training and qualification measures for civilian employees, as well as cooperation with the quartering divisions.

POLAND

NATO Positions Examined; Accelerated Disarmament Urged

26000607 Warsaw ZOLNIERZ WOLNOSCI in Polish
7 Jul 89 p 3

[Article by Colonel Andrzej Ekiert: "An Accelerated Disarmament Process is Possible and Necessary"]

[Text] During the past several years there has been a consistent improvement in the international climate. The West has reacted with restraint to the political initiatives of Gorbachev and the socialist countries, but

with perceptible favor. As a result, important positive changes have taken place in a relatively short time in the political as well as military spheres.

Presently, politicians of the East and West, representatives of the military establishments, commentators as well as a significant part of the nonprofessionals interested in this problem are evaluating the achieved results and are attempting to anticipate the future possible development of international relations as well as the probability of progress in the area of disarmament. In general, their evaluations are optimistic. But there is no lack of voices expressing dissatisfaction with the presently achieved status. I believe they reflect a significant part of European society. The desire to eliminate tension and decrease the level of military confrontation is increasingly popular. The idea of building a common European home is increasingly acceptable.

The experiences of the past decades have shown that changes in international relations are of a cyclical nature. Periods of improvement and mitigation of tensions are interspersed with years of worsening relations and arising conflicts. Thus, the basic questions are: How long will the present improvement in East-West relations continue? At what point is this process irreversible? Will the current rapprochement give way to animosity, prejudice and mutual recriminations?

In my opinion conditions exist that permit one to believe that the current thaw has a great chance for permanent success. This is supported by the changes occurring in the socialist countries; the propitious obliteration in the perception of Western societies, shaped over many years, of the East as an intransigent enemy; the peace proposals and concrete disarmament actions, including unilateral steps; the desire to extinguish the fires of regional conflicts by peaceful means; the effect of new thinking on political decisions that is increasingly visible; the universal desire to eliminate the nuclear threat; and thinking of the future of the world in global categories and not in terms of local national interests.

For these trends to assume a permanent irreversible character, the good will of all interested parties is necessary. Every objective observer acknowledges that the socialist countries exhibit such good will. It also would be unjust to deny the West's significant contribution to the detente process. However, this problem is more complicated and susceptible to various interpretations as attested to by the results of the Spring meetings of NATO groups, that is, the NATO Council meeting in Brussels, the meetings of the NATO Military Committee and Eurogroup and the NATO Committee for Defense Planning with the participation of the defense ministers, chiefs of staff of the armed forces and higher ranking officers of the combined NATO armed forces.

In the report received by the heads of states and governments at the meeting of the NATO Council, it was judged that the possibility of a fruitful East-West dialogue has improved greatly over the past several years.

The favorable results of the Conference on Security and Cooperation in Europe, the unprecedented progress in the area of arms control, the success of the INF, and the optimism for an understanding in the START talks were noted. Also, the document's language departs significantly from that used to date on such occasions—that is, black-and-white evaluations and rhetoric—though the authors have not completely eliminated such language here and there.

It should be understood that NATO claims for itself exclusively the credit for the process already achieved in detente and disarmament, that it fosters misgivings regarding its future prospects and advocates its viewpoint concerning regional conflicts. However, to do justice to the realistic and weighted evaluations and decisions contained in this document, one should not accept indifferently the attachment to and outright spasmodic adherence to the strategy of nuclear deterrence, the unilateral approach to the problem of eliminating asymmetry or the desire to conduct a dialogue with the socialist countries from a position of strength. The West's attitude toward the elimination of asymmetry is symptomatic. NATO believes that those differences that give the Warsaw Pact superiority should be eliminated, but NATO is silent about those armaments in which NATO is superior. This undermines the credibility of commendable political declarations and the sincerity of real intentions.

Of course, I am not mentioning this in order to lament the Western allies' Vienna negotiations. However, for such fundamental questions as security and defense, cold realism must be obligatory. After all, decisions in this area concern the survival or nonsurvival of nations and states, all members of the European community.

The basic problem is this: decisions in the military sphere are not consonant or not yet fully consonant with the peace declarations of Western politicians. Should one accept at face value the declarations about the desire to disarm, the desire for security and trust, or be guided by the resolutions to maintain the annual 3-percent increase in military expenditures; the continuation of the arms programs adopted by NATO, or the persistent strategy of nuclear deterrence "based on the appropriate combination of sufficient and effective nuclear and conventional forces that will be maintained at current levels"?

Western politicians debate this dualism in posture with respect to the uncertainty of the durability and irreversibility of changes in the socialist countries. But let us reverse the question: What guarantee do the socialist states have that the West's declared political intentions will prevail over the planned intentions and, what is worse, the realized intentions of NATO in the military sphere?

As can be seen, of primary significance are trust and the conviction of sincerity and openness of real intentions. Significant steps on this path have been taken already.

The resolutions of the Stockholm Conference and their observance in practice indicate that achieving progress in this area is also possible as well as necessary and should be continued.

Likewise with the Vienna negotiations. The course of these negotiations indicates that both sides are interested in achieving a solution that would satisfy both sides equally, that would lend itself to lowering the level of military confrontation without compromising the security of any of the states.

Achieving such an understanding would also be very significant for Poland. The restructuring process continues within the Polish Army, the goal of which is to give our armed forces an exclusively defensive character.

These changes are a continuation of our consistent policy in the realm of defense. We have always assumed that the level of expenditures for defense, the size of Poland's armed forces and their armaments depend on the threat and possibilities. We welcome with pleasure every improvement in the political climate and reduction of tensions. After all, no one allocates significant expenditures for an army and military equipment if one feels secure. But one also should not underestimate a threat if it is real. We favor full and universal disarmament, and in this regard we are making important, unilateral decisions. However, we are doing so in a prudent way, unmoved by emotions, so that later on it cannot be said that the balance of power was disturbed, that our security, sovereignty and independence were threatened.

GERMAN DEMOCRATIC REPUBLIC

Statistics Given on Deutrans Trucking Service

23000205 East Berlin DDR VLRLHR in German.
Vol. 22 No. 7, pp. 203-208

[Article Juergen Brehme, engineer, DEUTRANS Combine: "DEUTRANS Combine's Array of Services for Cross-Border Trucking"]

[Text] Fast, safe, and reliable—those are the hallmarks of DEUTRANS-Lastzüge truck-trailers which roll by the thousands across Europe's roads every day. The mobility and availability of cross-border trucking service—primarily speedy house-to-house service—has made it possible for DEUTRANS to become an important, efficient partner in international freight transport

On 27 October 1978 a resolution on measures to upgrade management and planning as well as to increase the efficiency of international NSW trucking [nonsocialist monetary area], forwarding, and container traffic within the responsibility of the Ministry for Transportation was the basis on which the DEUTRANS Combine, with its headquarters in Berlin, the GDR capital, was established effective 1 July 1979

The DEUTRANS Combine includes these independent enterprises: DEUTRANS—International Forwarding, DEUTRANS—International Trucking, DEUTRANS—Transcontainer and DEUTRANS—Seaport Forwarding (effective 1 January 1986)

Thus, a variety of GDR carriers realize the bulk of foreign trade transport tasks

Centralization of the responsibility for overall management and planning of cross-border trucking on a national scale was effected by the formation of DEUTRANS—International Trucking in Potsdam. Thus, this enterprise was given a completely new and in the GDR unique set of objectives

The primary functions of this enterprise were set forth as follows:

- assume responsibility for managing all cross-border trucking in the GDR, that is, management, planning, balancing, and determining availability for all vehicles in service
- realize cross-border traffic in the political Potsdam Bezirk as a carrier with its own fleet, that is, as a forwarding enterprise with its own vehicle capacity (at present about 180 efficient truck-trailers)
- prepare, realize and do the accounting for all results which are produced from exporting services

To handle the GDR's foreign trade export and import transport requirements with trucks the DEUTRANS Combine also has a capacity of 3,500 truck-trailers

which are contractually linked among the 15 transport combines to about 100 locations in the republic

For reasons relating to the economics of foreign services these trucks are primarily used in the NSW—both in bilateral traffic and in exporting services

The advantages of motor traffic, especially the high level of adaptability to different transport requirements, are the reasons for its growing applications in cross-border traffic. Even with altered foreign trade conditions it has not lost any of its importance

In Hamburg, Duesseldorf, Strasbourg, Prague, Budapest, Szczecin, Trelleborg, Helsinki, Milan, Moscow, and Damascus branch offices were established to provide support both in preparing for and in realizing forwarding services. These work closely with various correspondent forwarding agents, primarily in questions of continuous market work and increasing return-trip utilization of DEUTRANS trucks

Every day approximately 3,000 trucks operate in bilateral export and import traffic. Every week sees the realization of 3,700 to a maximum of 4,700 export operations (220,000/year). These involve transports to almost all European countries. The main reciprocal routes are the FRG, the Benelux countries, France, Austria, and Scandinavia. Vehicle utilization is accomplished with the help of a central FDP [electronic data processing] system whereby reports of industry's transport space and vehicle capacities available from the transport combines are evaluated according to specific priorities and selection criteria for the purpose of optimum disposition and are prepared for use

The "switching center" for this overall process is located in Dresden's motor traffic Scientific-Technical Center and is completed once a week with the help of a large computer installation

During the current realization week the operational balance between the shipping industry's requirements and the availability of the necessary net capacity from the traffic combines is then handled during the current coordinating period by DEUTRANS—International Trucking in Potsdam. That is, manual balancing to achieve maximum realization of foreign trade tasks is done by a central coordinating office using specific priorities

Approximately 350 vehicles are regularly used for transport orders in exporting services, both round-trip and one-way traffic. This places particularly demanding requirements on the drivers and the vehicle parameters.

DEUTRANS sees itself as a partner in the GDR's foreign trade. This task is stated as follows in the combine's statute: "...the only forwarding enterprise in the GDR to realize foreign trade and transit transport... (and) represent its customer's interests in respect to domestic and foreign transport and transshipping enterprises"

In view of the structure of the types of good which are to be transported in foreign trade and exporting services DEUTRANS offers various kinds of services such as

- conventional truck transport with tarp frame tarpaulin vehicles as well as furniture container trucks, tank/hopper trucks, dump trucks, and refrigerator trucks.
- container transport.
- factory, heavy-duty, and large-capacity transport.
- ro-ro and trucking transport.
- exhibition transport.
- express transport.

The tarp frame/tarpaulin trucks—both trailers and semi-trailers—continue to represent the most favorable form of realizing land transport for the majority of all goods which do not impose special requirements on the transport means. Tarp frame/tarpaulin trucks account for about 60 percent of the total fleet.

Overall with this kind of service the above-mentioned advantages are realized, particularly in respect to flexibility and the quality of the goods to be transported. Full loads up to 25 tons and partially full loads and general cargo with varying tonnage and cubage are transported.

However, in the past few years there has been a clear trend internationally toward universal vehicles in the tarp frame/tarpaulin sector which can transport both large tonnages (25 tons) and also sizable cubage (90 m³).

This necessarily impacts decisions about vehicle acquisition in order to accommodate these requirements of the shipping industry.

Furniture container trucks occupy second place. These are primarily used to transport unpacked furniture and also technically high-quality goods.

For about 10 years there has been a management branch in Halle for tank and hopper transport. All of this kind of transport is centrally arranged here and coordinated with the transport combine in Halle. Tank and hopper trucks were located in the bezirks which are vital to the chemical industry (Halle and Cottbus). Because of the specifics of the types of goods and the special related technological features limits have been imposed on expanding this fleet since as a rule multiple use of these vehicles is not possible.

In this connection consideration must also be given to the fact that the demands for transport safety within the context of ADR [European agreement on the carriage of dangerous goods by road] regulations are taking on increasing importance.

DEUTRANS offers its container service mainly to transport urgent shipments to GDR and foreign seaports, but also for direct transport by road from shipper to receiver. A variety of vehicles is available which are equipped with chassis to transport 20- and 40-foot containers. Also, it is efficient to use the vehicles in third-country

traffic, especially advance and follow-up operations to and from European seaports, for container transport.

Perfect organization and implementation of special transport is a standard for evaluating forwarding efficiency. To an increasing degree the construction of increasingly larger industrial plants requires transporting machines, containers, large units, and other materials with unusual parameters. Those items to be transported which are extremely bulky and/or have extraordinary dimensions impose very high demands on the transport and transshipping means and on the usability of the transport routes, but also on coordinating the carriers which are involved in transporting and other enterprises.

DEUTRANS Factory Transport offers GDR industry and foreign trade and all other domestic and foreign partners an efficient organization which also contributes to being able to solve the export and import transport problems of complex industrial plants, heavy and out-sized single sets of machinery and is also involved in preparing, organizing, and implementing complicated transport tasks.

For this there is excellent cooperation in coordination, primarily with the transport combines in Leipzig and Cottbus; these cooperate with DEUTRANS in realizing the biggest share of heavy load transport.

Ro-ro, trailer, and trucking transport is used primarily in traffic with Scandinavia and Great Britain. Management is centrally taken care of by DEUTRANS Seaport Forwarding in Rostock together with the VE [state enterprise] Ostseetrans Transport Combine, Rostock.

This type of service is taking on increasing importance for reasons of geography, transport policy, and the economics of foreign currency. DEUTRANS is in a position to offer solid trailer equipment, which is overwhelmingly suitable for jiggy-back transport and reliable tractors for trailers. DEUTRANS is the only official forwarding agent for the Leipzig fairs. Exhibition shipping tasks are concentrated in the Leipzig branch, fairs, and exhibitions division. For example, DEUTRANS organizes transport to and from the fair site, receipt of the fair goods upon arrival in Leipzig and transport to the exhibition stand, handling empties, return transport of exhibition goods, removing exhibition goods from storage by prior agreement, technical assistance in assembling and dismantling exhibition goods and clearing customs. Consultation on optimum kinds of transport both in terms of economy and time take into account consideration of the special requirements of shipping and handling exhibition goods. Transporting exhibition goods to all international fairs is organized worldwide and realized as necessary by making trucks with special equipment available, appropriate to the requirements of the particular exhibits.

"Express" service means that urgent shipments of small goods, such as documents, samples, emergency shipments for accidents, special tools, fair exhibits and much

more are dispatched using direct transport with guaranteed delivery times between 24 and 72 hours.

At present 13 vehicles are used, that is, small transport vehicles with a 1.7-ton payload, trucks with air suspension with a 5-ton payload, trucks with a 10-ton payload and more (equipped for goods in ADR classes 2 to 7) and in the case of small lots of hanging clothing trucks with a 5-ton payload and 33 m³ volume. These vehicles are

stationed exclusively in Potsdam. Because of their specific characteristics they require special planning service.

Out of respect to the sensitivity of this sector and mainly because of the need to respond quickly to operational requirements in connection with qualitatively adequate and short-term conditions for realization the highest demands are imposed on the managers and the drivers. However, since 1987 it has been possible to accord GDR foreign trade internationally recognized performance which can undoubtedly be even further expanded.

Table: Selected Forwarding Indicators

Indicator	Unit of Measurement	1981	1985	1987
Total use (bilateral, transit, ro-ro, trucking)	Number	206,941	331,000	356,057
Vehicles used bilaterally (export/import)	Number	1,804	2,838	2,827
Return utilization (based on number of uses)	percent	48.4	46.6	49.9

When representing the development of forwarding in the years up to 1995 both foreign trade requirements and the technical-technological conditions and opportunities must be taken as the starting point. That in turn results in trucks assuming in the next few years, too, the dominant role in cross-border traffic as a transport means since there are no fundamental alternative solutions to the advantages of the truck both from the point of view of the shippers and the receivers, in spite of the ecological problems up to 1995 and beyond.

To further strengthen DEUTRANS' market position the material-technical basis must be developed in such a way that in keeping with the objectives the requirements of goods and transport markets are taken into account. In respect to the emerging formation of an European Common Market starting in 1992 the already complicated conditions of competition will become even more critical.

In the future qualitatively new and comprehensive solutions to problems are anticipated in respect to the existing high demands on the forwarding agent and carrier in terms of quality and adhering to delivery dates when implementing transports. In this the issue is that of introducing during the preliminary period of this emerging development general and comprehensive measures in order to be in a position to realize the tasks set for the the DEUTRANS Combine even under these new conditions.

With the programs which were designed for vehicle acquisition up to 1995 there were substantial assumptions in respect to the necessary replacement and expansion investment for the fleet which are supposed to guarantee the necessary improvement in the basic assets.

However, this is only one side of the demands for quality. An essential second aspect is the unconditional improvement in disposition activity within the meaning

of multiple computer-assisted optimizing during a coordination period, with consideration of operational changes which at present are still balanced out manually. This means that the foreign trade conditions which are becoming increasingly more critical in respect to short call times and the so-called "just in time production" must absolutely be taken into account.

Thus, even in the future the truck will retain its leading role in the kind of services which the DEUTRANS Combine offers.

The totality of the advantages of using trucks, especially the speed, areal coverage, and saving in packing, cannot be achieved by other carriers and outweighs the disadvantages, such as energy intensity and environmental pollution in ground transport.

Possible restrictions will occur in various reciprocal routes, for example from state measures on the part of individual countries in respect to promoting their own enterprises.

The decisive task for the future in the cross-border trucking sector is increasing the quality of implementing transport. There must be guarantees that vehicles which optimally meet the requirements of the goods, provided at the necessary point in time with the necessary information and equipment, are available for loading and unloading.

By way of summary it can be said that because of the now 10-year existence of a "control center" for all the GDR's cross-border truck traffic, under the responsibility of the DEUTRANS—International Trucking Enterprise, Potsdam, there were noticeable successes and effects for GDR trucking in the sectors of operational coordination and interaction. This is why, precisely in respect to the liberalization of the EC markets in 1992 it will be absolutely essential to realize the level of

international forwarding and carrier activity, mainly in quality and accessibility, with the goal of short-term quantitatively adequate realization of all transport using trucks.

In order to accomplish this, consideration must be given to forming additional DELTRANS enterprises with their own fleets for specific kinds of services.

HUNGARY

Little Encouragement Seen in First 5 Months of Foreign Trade

25000344b *Refugee* / FIGYELO a. Hungarian
29 Jun 89 p. 4b

[Article by Barnabas Nemeth, Commerce Ministry executive: "Foreign Trade January-May 1989: Locked in a Refrigerator." first paragraph is FIGYELO introduction]

[Text] So far this year, most economic processes have evolved less favorably than expected. Germination—at most—may be found in terms of structural change, and enterprise activities are aiming largely for survival. This can also be tracked through the foreign trade record of the first 5 months. A Ministry of Commerce official, the author of this article, made an attempt to analyze that record.

As a result of the constrained reduction in exports subject to settlement in rubles, and the necessary tightening of domestic demand, industrial production has declined by 1 percent as compared to the first 5 months of last year. Reduced production is consistent with plans, concerns stem from the fact that production has forcefully increased domestic inventories, and that it is not synchronized with demand. The fact that funds are tied down in inventories has also contributed to the accelerated deterioration of cash flow at enterprises. In conjunction with wage liberalization and inflationary enterprise income, the gross outflow of wages in the industrial sector amounted to 18 percent—twice the rate planned. As a result of price liberalization, domestic prices, import prices, last year's holding back on exchange rates, reduced price supports, and a weak domestic market, industrial producer prices increased by 12 percent, as compared to a planned level of between 8 and 9 percent. Despite monetary restrictions, investments, mainly within the central financing sphere, well exceeded projected levels. The propensity of the populace to save is weaker than it was at the beginning of the year. Retail sales which well demonstrate individual consumption increased by 18 percent in terms of current prices, and by 1.5 percent in volume, as compared to the planned continuation of a stable level.

Few Changes

The foreign trade surplus subject to settlement in rubles is substantially greater than projected. On the other

hand, the convertible currency trade deficit is far less favorable than projections called for on a time proportionate basis. This may be attributed to foreign tourism and to interest rates which were 1.5 percent higher than expected. In other words, through the present economic and management mechanism we have not succeeded in avoiding a situation in which the country is barely capable of sustaining its solvency with the help of foreign credits and forced increases in exports on the one hand, while it has become a net creditor vis-a-vis every socialist country so far this year on the other.

Probably the only encouraging sign is not found in mercantile trade subject to settlement in rubles. Following slow growth at the beginning of the year, between January and May the value of exports payable in dollars increased by almost 9 percent, while the volume increased by 6 percent. Unfilled orders at enterprises render further increases in exports likely for the rest of the year. Nevertheless, the leading force behind the growth is the external market boon which affects the base materials sector and food products, and the simultaneous continued decline in domestic consumption. This is a continuation of last year's trend. For the time being there is no change in processing industry exports. Moreover, light industry production volume decreased by an additional 9 percentage points, following the low point recorded last year. This signals light industry's problems related to technological development, the work force, its profitability, and its vertical structure. The overall balance of this branch did not deteriorate to this extent. The value of exports was also reduced by the fact that part of the "material" exports were accounted for in the form of hired labor, which in turn moderated the import demand. The product category affected by import liberalization announced for 1989 was mainly intended to serve technological development and the improved competitiveness of the machine industry. For the time being no substantial results produced by import liberalization are seen in exports, but one cannot expect improvements after only a 5-month period.

Last Pair Run Ahead!

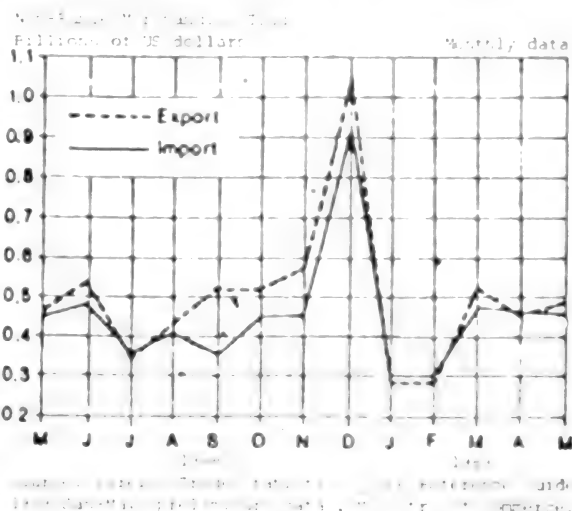
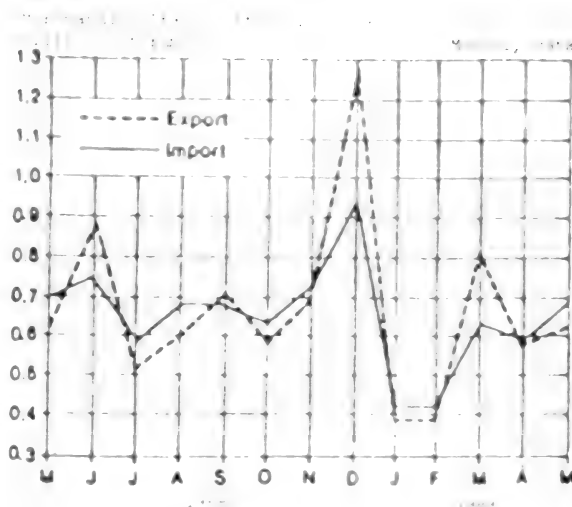
The situation is well characterized by the fact that, consistent with the production structure which has frozen over the years, almost half of the increase in exports was provided by the foundry industry, an additional 42 percent by the food industry, and 6.5 percent by the chemical industry. One-third of the increase in export values may be attributed to price increases. Considering exports subject to settlement in convertible currencies as a whole, the 2.5 percent dollar price increase came about as a result of a 4-5 percent reduction in machinery and consumable industrial goods price levels, while the price level of materials, which figures significantly in Hungarian exports, has increased by 7.5 percent. For example, foundry products sales prices increased by an average of 15 percent, as compared to last year's high base price. All this serves also to indicate the sensitivity and vulnerability of the Hungarian export boom.

The food industry contributed to an unexpected extent to the increase of exports. Growth in this area was fostered mainly by a decline in domestic demand (e.g. dairy and meat products); by inventories which are larger than last year (e.g. wheat); and in several areas of the food industry (e.g. durable goods, etc.) by developments accomplished in the framework of the export tender bidding system. Significant export surplus appeared in certain specialized branches of the chemical industry.

In conjunction with the 1989 introduction of import liberalization in several steps, the government, as well as business and industry organizations, have paid increased attention to convertible currency imports during the past months. The government is primarily interested to know whether imports, which to a significant degree are no longer distributed by administrative means, improve enterprise management, whether they contribute to structural change, and whether they excessively deteriorate the external balance. Understandably, and as a result of a lack of confidence, the primary question in the minds of business and industry leaders is whether liberalization will last, whether it can be taken seriously. In practice, this concern manifests itself in the fact that many enterprises with adequate financial backing in part accumulate unjustifiably large sized inventories, and in part endeavor to take advantage of business opportunities provided by gaps (or abysses) in the domestic market.

For the time being the group of enterprises using liberalized import opportunities for longer term, strategic purposes is not large enough. It is noteworthy that enterprise plans calling for imports exceed those of the previous year by one-third; at the same time the value of actual imports has increased only by 7 percent, and the volume by 6 percent. This always happens when valves closed earlier are opened. On the other hand it indicates that demand with the ability to pay is far behind need. But it also shows that in the absence of stringent monetary policy, imports, and therefore the trade balance, would have evolved in a far different manner than planned, thus frustrating the chance for continued liberalization.

The volume and composition of trade as a whole thus far corresponds with goals established by the government. Thirty-eight percent of non-ruble goods received thus far are liberalized products, and an increase in the ratio may be expected for the balance of the year. Within the importation of liberalized products, 75 percent constitute items with the character of machinery. Within that, 39 percent constitute machinery, 38 percent parts, and 4.5 percent industrial consumables. Trading in the latter category has increased significantly as a result of more stringent controls on tourist trade and improved domestic supplies. Within that group the importation of freezers has increased from a volume of \$660,000 to \$15.8 million—a 2,291 percent increase. This is a result of an extremely low base level availability of freezers on the one hand, and lack of enterprise coordination on the other. As a result of this fact one may count on oversized inventories in several



areas. In certain places mixed industry products of capitalist origin may be purchased with a 10-percent down payment.

We Are Creditors!

The way trade subject to settlement in rubles evolved is significantly different from the way it was planned. The balance of payments surplus is greater than last year by about 400 million rubles. This was incurred clearly as a result of mercantile trade. The value of imports counted in rubles declined by 3 percent, the volume decreased by 1 percent. Fortunately, the decrease is smaller than expected. In order to achieve an acceptable level of Hungarian trade surplus, exports should have declined by between 7 and 8 percent. This goal was also established in the framework of interstate agreements. Contrary to this expectation, the value of exports declined only by 1 percent, moreover, the total amount of open orders is the same as last year. The planned reduction in exports did not

come about mostly in the machine industry where the decline for exports materialized at 2 percent instead of the projected 10 percent. Experience shows that in order to alleviate their reduced production and cash flow difficulties domestic enterprises fulfilled their export obligations early in the year, tried to replace the reduced—but more profitably designed contingent trade with barter transactions, and thus the fulfillment of these obligations is better paid than before. At the same time domestic demand for imported machine industry products subject to settlement in rubles declined somewhat more than expected. This is related to the liberalization of capitalist imports and financial concerns.

Thus far in 1989 the contradiction between a more "marketlike" management system on the one hand and the mechanism subject to settlement in rubles—which is marked by the features of the plan-directed system—have become more pronounced. A system in which the people's economy balance demands reduced exports while enterprises are interested in increased exports cannot be a good system in the long term. The schizophrenic situation is shown in the fact that it is in the interest of enterprise leaders to increase beyond all boundaries efficient exports payable in rubles, studded with capitalist imports. At the same time, enterprise leaders as citizens find it unacceptable that the surplus thus produced in socialist trade relations appears as a credit granted by Hungary. This is at a time when in Hungary there are not sufficient resources either for development or for the maintenance of the standard of living. At a time when the increase of capitalist exports and the decrease of ruble exports would be the goal, within ruble trade one can promptly receive offsetting forint payments, along with the otherwise necessary monetary rigor. (In certain places there are 25 percent working capital interest rates, etc.)

In this economic environment, despite the continued deterioration of the profitability of ruble exports, the role of ruble exports acquires increased value to enterprises, while the trade balance can hardly be kept within the planned margins at the people's economy level, using the methods given. Enterprises must not be viewed as the primary culprits in this matter. One should blame the mechanism which is incapable of establishing an appropriate link between the interests of enterprises and the interests of the people's economy. The government is determined to resolve the above described antagonistic contradictions, but the method by which these matters may be resolved depends largely on the preparedness of our socialist partners to make changes. But one must recognize that there is no alternative which would not create temporary losses and gaps in production in the Hungarian economy.

Party Moves Out of Trade Union Federation

20ma Szavak Budapest NEPSZAVA in Hungarian
26 Jul 89 p. 5

[Interview with Jozsef Matlak, National Trade Union Council (SZOT) committee secretary for Hungarian Socialist Workers' Party (MSZMP), by Jeno Toth: "The MSZMP Moves out of SZOT"; date and place not given]

[Text] As reported in NEPSZAVA, the SZOT presidium recommended on 12 July that MSZMP organizations

operating within trade union organizations continue future party work in the best of attitudes in other party unions. In other words, "No party organization should operate at the headquarters of social trade union organizations. The SZOT spokesman justified this recommendation saying that it is inconceivable that the trade union would become one theater for political battles, while the trade union declares that it intends to function independently of political parties.

When and how is the MSZMP going to move out based from the SZOT? This was the topic of our discussion with SZOT party committee secretary Jozsef Matlak.

[NEPSZAVA] The activities of the MSZMP and the SZOT have very close relations for decades. Why has the SZOT committee with such a recommendation at this time?

[Matlak] Last December's national trade union conference very clearly defined that the trade union movement should operate independent of any party, and thus also from the MSZMP. Accordingly, the one answer the MSZMP defined the SZOT's tasks has come to our mind, although, as all today many do not believe—nor do I want to believe—that the trade union will concentrate its strength to effectively protect the interests of wage earners and salaried persons, rather than to accomplish immediate political goals. Insofar as a union officially is concerned, the kind of political view he professes may be his private business at most. Fundamentally, eliminating direct politicking is important because, in this way, the trade union movement's unity may be preserved. Specifically, the trade union movement's striking capacity would be endangered if various trade union groupings and clusters were to become politically active.

[NEPSZAVA] In other words, they are concerned that the parties in the process of being formed would establish trade unions according to their respective profiles in order to secure mass bases for themselves?

[Matlak] If we were to regard trade unions belonging to the SZOT as the MSZMP's trade union federation, sooner or later this would become a real threat. And the SZOT leadership wants to avoid this threat. In no way would the fundamental goals of the trade union be served if trade union apparatuses became political battle fields.

[NEPSZAVA] Are there members of other parties in SZOT organizations?

[Matlak] Yes, there are. Insofar as I know, they are colleagues actively involved in the development of economic and social policies for other parties. I do not believe that this should be condemned. Even more so, because it follows from the outsider status of the trade union that we support all parties and party endeavors which enhance the goals of trade union interests. But most of the workers in the trade union apparatuses are MSZMP members. At the same time, these does it is not

rare phenomenon for political associates to signal their intent to leave the MSZMP or, alternatively, they define specific requirements

[NEPSZAVA] How did SZOT party members receive the presidium's recommendation that the MSZMP move out?

[Matlak] I could not say that all of our party members agree with this decision. Many are of a different view. I find that in these members a little bit of the past and concern for the MSZMP's future, gain expression. Several persons recommended that a party conference be convened within the SZOT, saying that a decision should be reached there as to the change. The other day we held an expanded party committee meeting. SZOT executive secretary Sandor Nagy informed the committee of the presidium's recommendation, and of the background of that recommendation. In the end, those present accepted the arguments, and it was clarified that it is the SZOT leadership's right to decide whether it can assure the conditions for in-house political life. In other words, if the presidium decides in the negative, then the party membership must recognize that fact.

Thereafter debate continued in regard to the issue of how the party organization should continue its operations. MSZMP 6th district committee first secretary Tomaj Barsi, present at the meeting, suggested several alternatives: The party members could reregister with a precinct basic organization according to their place of residence; the 6th district could continue to operate as a united party organization; and that, following the party congress, every party member could freely choose the basic organization to which he belongs. The SZOT party committee reached a decision to recommend to the membership—which is supposed to make a decision in this regard—that the party organization should continue as an independent basic organization within the 6th district party committee. The district party committee would guarantee all the conditions needed to accomplish this. Persons choosing precinct party work could, of course reregister in the appropriate organizations.

[NEPSZAVA] What is going to happen to the party organizations of the rest of the party apparatuses and institutions?

[Matlak] Apparently, the SZOT presidium's recommendation applies also to them. But the SZOT party committee cannot influence their decisions, the step we are taking has the value of a model at best. Every party organization's membership must decide from whence and in what form they will continue functioning.

[NEPSZAVA] Accordingly, the SZOT presidium made a decision regarding the fate of simple party members, but what will happen to the membership of the SZOT executive secretary in the Central Committee [CC]? If Sandor Nagy remains a member of the MSZMP CC, we cannot say that SZOT's dependence on the party has been fully discontinued.

[Matlak] Sandor Nagy should be asked this question. As the secretary of the SZOT party committee I am of the opinion that there is a qualitative difference between a member of the Politburo fulfilling his duties on behalf of the party within the trade union on the one hand, and, on the other, having a leader who enjoys the confidence of the trade union membership and at the same time also serves as a member of a party body. I am convinced that the trade union would profit by having its representative present where policies are formed. I would not rule out, however, that if a significant part of the trade union membership does not accept this approach, then Sandor Nagy would surrender his party office and focus on the goals of the trade union.

[NEPSZAVA] You, as deputy director of the SZOT social policy division, how can you reconcile your work with your role as secretary of the party committee?

[Matlak] I regard of course, as my main profession the protection of workers' interests and the development of social policies, and I believe that it is possible to reconcile this profession with the work of a party secretary performed outside of work hours ["as social work"]. I have held this post since last January, and I regard it as a recognition of my work. In this difficult political situation, as party secretary I consider it my job to build trade union goals into MSZMP policies as much as possible. The party should renew itself in a manner so that it acquires the confidence not only of the party membership, but also of a majority in society.

[NEPSZAVA] The exodus of party organizations from the SZOT apparently creates more unfavorable conditions. To what extent will this impede party work?

[Matlak] It will be far more difficult, that much is clear, but I do not believe that this is going to determine matters. Whether we can retain our members depends much more on the party's evolving program, and on its operating and organizational rules. The less favorable conditions may also help provide a clearer view: Perhaps those who leave the MSZMP now because they would have to leave their homes to live according to party life will probably not be missed by anyone. On the other hand, others, who support the MSZMP program out of conviction, will not be deterred from sacrificing more of their free time in the future.

[NEPSZAVA] Would it not have been more useful had the SZOT party organization continued its work as an MSZMP faction? After all, Sandor Nagy has made several references to the fact that it is conceivable that in time party factions would evolve in trade unions.

[Matlak] Party factions operate openly in a significant number of Western trade unions. In the longer term, under conditions of a real multiparty system it is conceivable—perhaps unavoidable—that also here party factions will come about. But as of today, realistically only one MSZMP faction formation could have come into question. This would strengthen the impression that the trade union is still dependent on the MSZMP, and

that it is not a fully independent interest group. For this reason we feel that the preservation of trade union unity is more important.

Role of Economic Planning Defended

*"50003" to Budapest NEPSZAVA in Hungarian
15 Jul 89 p. 3*

[Interview with Dr Gusztav Bager, head of the National Planning Office main division, by Pal Molnar: "Is It Against the Law Not To Fulfill the Plan?"; date and place not given]

[Text] We must plan, if for no other reason so that we know to what extent we deviate, according to one of the half serious, half joking pieces of wisdom regarding people's economy planning. In these days, when after so many unfulfilled plans the "projection" adopted toward the end of the previous year must already be revised during the course of the year, it seems particularly appropriate to ask the following question: What sense does it make to plan? National Planning Office Executive Dr Gusztav Bager responded:

[NEPSZAVA] What's behind the loss of respect for the people's economy plan?

[Bager] It is a fact that with regard to their essential provisions, the last two 5-year plans were not fulfilled, and that economic processes in the current 5-year plan have deviated from the plan thus far. Hearing this, one could easily but erroneously conclude that preparing a people's economy plan is a superfluous activity. It is inappropriate to view the value of plans and of planning only from the perspective of realization. The economic situation is in constant change, and these changes must be continuously followed by economic management by those responsible for the planning function. In this context the value of plans may be measured by the extent to which plans are capable of fulfilling this function.

The perception of planners reigning supreme, the notion that virtually the whole of social and economic processes may be influenced and can be planned, contributed to the loss of respect for planning. On the basis of practical experience we must reach the conclusion that the weight of forecasts must be increased to the detriment of areas believed to be susceptible to influence and planning, and a larger role must be assigned to preparation for unexpected turns of events.

[NEPSZAVA] To what extent is it true that planning is based on a Soviet model?

[Bager] It is a fact that for a long period of time Hungarian planners were thinking in terms of the traditional socialist planned economy. This was characterized for example by a view of the economy in which the role of material production was enlarged, and the significance of service provisions and human factors became discounted. A further characteristic of this kind of

thinking is an "over-politicized" economy, the enforcement of political considerations, disregarding economic opportunities in decisionmaking. But thinking in terms of traditional socialist planned economic management categories is coming to an end. The general trend in socialist countries is to reduce the number of directing authorities, to relax the rigid, phased character of people's economy planning, and to change over to continuous planning. And the financial outlook is also gaining strength.

[NEPSZAVA] Why isn't anything said in Hungary about the fact that economic planning is also pursued in Western countries?

[Bager] In brief: The main reason for this is a distorted Hungarian view, which mistakenly compares the plan with the market. The plan (planning) and the market are in reality not mutually exclusive categories. Also in the future—just as has taken place thus far in the course of path finding—the need will call for an effective combination of planning and the market, but in a manner so that both become more characteristic.

[NEPSZAVA] How are they planning "over there"?

[Bager] Insofar as planning in the Western countries is concerned, developed national economy plans are fundamentally of an indicative character, meaning that they only inform, or guide the actors in the economy concerning developmental opportunities. Granted, however, there was a period in which the role of national economic planning in some West European countries was reduced, but today, once again interest in planning is on the increase. Thus, for example in East Asia, several countries with outstanding economic performance (Japan, South Korea, Taiwan) pursue wide ranging planning activities.

[NEPSZAVA] What is the main difference between Western and Hungarian economic planning?

[Bager] From the standpoint of Hungarian social and economic planning the economy does not appear as a self-regulating market organism. For this reason planning must stimulate and supplement to a significant degree both entrepreneurship and the market in the present period of market construction. Planning will undergo further changes as the market economy evolves gradually, however, and in Hungary also the regulatory character will be exchanged for an advance indicator, an orientational character.

[NEPSZAVA] Could openness be increased at the stage when the plan is prepared?

[Bager] Yes, there is a definite need for that. In the evolving, new political mechanism the entire planning process comes under societal control. To further democratize planning, the planners will utilize the conceptions of political and interest representation organs on the one hand. On the other hand, they want political and interest representation organs to take part to a greater extent

than they did before in commenting on the plan. Quite naturally we do not have in mind merely a debate over the already prepared draft plan recommendations. We also want to publicize concepts that evolved in the intermediate stages of the planning process.

[NEPSZAVA] Is there a need to change the present flexible law on planning, which simply requires that an annual and a medium-range plan be prepared?

[Bager] That's not all the law prescribes. The law and the implementing government decree provided details as to the types of issues that must be dealt with in the annual and medium-range plans (national income growth, proportions of national income utilization, development of branches within the people's economy, the evolution of actual employment conditions, etc.). The law defines not only issues pertaining to the contents of the plan. It also makes the medium-range plan and the annual plans mandatory with respect to economic management organs. It expresses "expectations" vis-a-vis business organizations, and it includes decisions with regard to business organizations. The latter provisions are inconsistent with social and economic planning to be conducted under market economy conditions! For this reason, the law must be changed by all means!

[NEPSZAVA] Is it conceivable that one would be called to account on grounds of violating the law, for reasons of deviating from the provisions of laws which provide for the annual or the 5-year plans?

[Bager] At present, the law on planning contains general provisions, according to which legal consequences must be applied if obligations specified in the law or in other legal provisions pertaining to the functioning of the people's economy are violated. This was not even practiced during the past decades (but people were called to account prior to 1956). The sanction provided for in the law on planning is written in such general terms that no one could be called to account on grounds of that provision. One "needs to" violate other legal provisions in order to be held accountable. It is a different matter if someone expressly violates or fails to perform on an obligation expressly specified in the plan that was assigned to that person (e.g. a person failed to act). This applies primarily to the leaders and workers at state administrative organs; they are the ones who may be called to account in this case.

Industry Reacts to Management Surveys By Western Firms

25000397b Budapest FIGYELO in Hungarian
27 Jul 89 p 6

[Interview with Peter Reiniger, deputy minister of industry, by Arpad Hajnoczy: "X-rays"; date and place not given]

[Text] Within a short period of time two more management surveys will take place, financed by the World Bank. Through tender bidding, the American firm of AT

Kearney was awarded analysis of the entire Hungarian machine industry, while British Mining Consultants will examine the possibilities of structural change in the coal mining industry. We questioned Peter Reiniger, deputy minister of industry, about the details.

[FIGYELO] What considerations prompted the ministry to examine the entire machine industry?

[Reiniger] We had already conducted several management surveys of industrial structural transformation programs, prior to obtaining credit. Thus, for example, the synthetics processing industry, the rubber industry, the manufacture of agricultural and food industry machinery, the vacuum technology industry, the manufacture of public road vehicles, and the background industry were subjected to such surveys.

Meanwhile our perception has changed substantially: directions in which development is to take place should not be decided by the ministry or by the banks; such decisions should be made by the enterprises instead. A full survey of the machine industry will pave the way to a new credit package, fundamentally for purposes of export development. According to our plans, any enterprise could receive a loan as long as it complies with export development criteria, in other words, regardless of the sector to which it belongs.

[FIGYELO] And how does the state administrative role change in this situation?

[Reiniger] With World Bank participation, the foreign consultant firm completes the survey to determine the competitiveness of the machine industry. As a result of the survey, partial areas that are in more favorable situations will become visible. The Ministry of Industry intends to help these areas, not with methods used by state administrative authorities, but through service activities. This new kind of industrial policy fully excludes the possibility of the ministry making decisions concerning the manufacture of products. The key word is competitiveness.

A number of items have adverse influence on the machine industry's competitiveness. First of all, the machine industry is fundamentally orientated toward the Soviet market, which has narrowed significantly. Second, there is the problem of the size structure. The number of small- and medium-sized enterprises is at an unhealthy low level, and there is no background industry. The goal is to change the machine industry pursuant to the needs of the international division of labor, and mainly to be responsive to market conditions, but this should not be accomplished on the basis of a state administrative decision. And finally, the product structure and the low developmental level of technology also raise concern.

[FIGYELO] Although several partial fields within the machine industry have been surveyed already, in practice this means only a few individual large enterprises. In

other words, the survey will be larger and more complex than before. Can this be accomplished from a technical standpoint?

[Reiniger] We are not such beginners in this field; after all, in surveying the background industry the expert consultants looked at 70 or 80 enterprises. Despite this fact, this matter is rather complex, but the completed surveys of partial areas which are characteristic of the machine industry will be of help.

[FIGYELO] Will any Hungarians be involved?

[Reiniger] Szenzor Organizing Enterprise will perform data collection, and will conduct part of the interviews and analysis.

[FIGYELO] Will the surveys be limited to the analysis of technological development and the production structure, or will they also cover the surroundings, such as the infrastructure, management, and potential markets?

[Reiniger] The survey will be a complex one, extending to the surrounding issues.

[FIGYELO] What do you expect in the end from the summary study?

[Reiniger] This study will be prepared on the basis of many consultations with enterprises. For this reason it will be a mirror image of the machine industry. I have only one reservation. While we would like to motivate the enterprises with hard, preparatory work, the economic environment is clearly antidevelopment. Industrial enterprises, and particularly those in the machine industry have manifested a defensive attitude for the past year or two. This is understandable in part, because the income position of machine industry enterprises last year dropped to a level of between 20 or 30 percent of the previous year's level. At the same time their credit conditions are stringent. Last year machine industry investments dropped by about one-third, while industrial enterprise bond purchases increased fivefold as compared to the previous year's level. This year, between January and May, World Bank loan requests dropped to 40 percent. In other words: While we are trying to prepare World Bank loans using European methods—these also present opportunities for technology transfer—the enterprises do not take advantage of these loans.

[FIGYELO] In earlier studies foreign consultants made a number of recommendations which cannot be implemented by themselves, for example if CEMA relations are not settled.

[Reiniger] That's how it is. For example, Ikarus is unable to take a \$17 million loan for the manufacture of buses on an individual basis or in small series, because as a result of the uncertainty of ruble exports that enterprise lives from one day to the next.

[FIGYELO] The enterprises often contradict the recommendations made in survey reports. As if they would not

be sowing the seeds into "fertile soil." Don't you think that this attitude reduces the effectiveness of management surveys?

[Reiniger] Fair question. In some enterprises, such as Pannonplast, Taurus, and the pharmaceutical manufacturers, the survey results were received favorably. At other enterprises however, the consulting firm frequently recommends a reorganization of management and the organization, and this is the source of numerous internal conflicts.

[FIGYELO] What should be done if a recommendation cannot be implemented within the law, regardless of how much sense it makes. I have in mind for instance the Boston Consulting Group's recommendation to break up Csepel Auto.

[Reiniger] I am confident that the law on business organizations and the law on transformation will accelerate these kinds of processes. And when we finally have an owner clearly motivated by profits, he will also be interested in changes like this which affect the enterprise organization.

[FIGYELO] The survey related to the opening of the Dubicsany mine is motivated by some quite different reasons.

[Reiniger] The government has made a commitment to accomplish structural change in coal mining, and to scale down subsidies and to discontinue state support of development. After long debates at the professional level we agreed that we will engage ourselves only in development projects which at the people's economy level assure a profitability of 12 percent. In this framework we will be dealing with two critical development projects. One is the ongoing "lász" investment project, the other is the opening of the Dubicsany mine. We recommended to the World Bank that these two developmental projects should be examined in a manner similar to the rest of the surveys. The step that must be taken before that is to compare Hungarian coal mining costs and prices on an international scale. We issued a call for tender bidding on three projects. First, to analyze price and cost conditions. The intent of this is to verify whether our marginal cost calculations are correct. The Mecsek and Dubicsany investments must be reconsidered on this basis. The Dubicsany mine would cost 10 billion forints, and would produce 2 million tons of brown coal each year. The winning bidder, British Mining Consultant will make a recommendation as to whether, in light of the above-mentioned 12 percent people's economy level profitability indicator, it is worth opening the mine.

[FIGYELO] What is this indicator composed of?

[Reiniger] It is a complicated algorithm. Supplemental investment costs and their recovery must also be considered. For example, if the mine is not opened, and a power plant must be converted for use of a different fuel, the additional cost this would represent.

[FIGYELO] Is it conceivable that the Dubicsany mine will not be opened?

[Reiniger] Opinions differ with regard to whether the Dubicsany development is consistent with the conditions. If we do not open the mine, there will be problems providing heating materials to the populace, yet this is not primarily a coal mining issue. I believe this is the key issue of the economy. After all we are making value judgments and decisions on the basis of profitability. Incidentally, the World Bank's confidence with regard to coal mining matters was shaken before. They looked at the closing of the Many and Nagygyhaz mines, the Mecsek fiasco, and they are making the very appropriate demand that we have our perceptions checked by independent experts.

[FIGYELO] The Ajka II mining plant has been competing for years with the Dubicsany mine. Is it possible that a new mine will be opened at Ajka?

[Reiniger] It is possible that the situation of Ajka II is better, therefore it must be examined. The two surveys will be evaluated this year. Of essence is the fact that in terms of energy policies we must depart from voluntarist planning.

[FIGYELO] When can we expect survey results?

[Reiniger] The final report for the machine industry will be completed this fall. With regard to coal mining, the first survey will be started at Dubicsany. At the end of the year we must report to the government concerning the survey, and a decision can be reached only thereafter.

[FIGYELO] How much does all this cost?

[Reiniger] A survey of this magnitude costs between \$350,000 and \$500,000. For business reasons we will not publicize the exact amount.

Fertilizer Workers Hold 'Warning Strike'

25000397a Budapest NEPSZAVA in Hungarian
27 Jul 89 pp 1, 5

[Text] Workers at the composite fertilizer plant of Pet Nitrogen Works held a 1-hour warning strike on Wednesday morning [26 Jul]. They demanded better working conditions and once again expressed their restlessness concerning the fate of their workplace, and their existential insecurity caused by the inordinate prolonging of their enterprise's bankruptcy reorganization.

The workers are concerned that in this impossible situation the best professionals will leave the factory, that leaders who are still in their place will become uncertain, and what is particularly dangerous, that there will be no money to replace the antiquated machinery and instrumentation—a matter of absolute necessity. Another news item that appeared on Wednesday indicates that, independent from the strike, the head of the organization in charge of bankruptcy reorganization announced that he had decided at the latest meeting of the economic

college [as published] that a solution regarding the situation of the largest Hungarian fertilizer factory must be found in August.

So much for Wednesday's chronicle of Pet—words which, after a tortuous 18-month period, do not provide encouraging news concerning the fate of Pet Nitrogen Works. Anyone would understand that people cannot concentrate on their work, and cannot perform work safely in a place where working conditions are at a low standard, and where one has to be concerned about retaining a job involving work performed under difficult circumstances. It is amazing that the 3,000 workers of Pet Nitrogen have been able to last this long. Despite all the commotion, they were successful during the first 6 months.

Enterprise trade union secretary Laszlo Transzky took action a number of times to protect the workers' interests. Early this year, in a letter addressed to Miklos Nemeth, he reported that the workers are performing their jobs in a disciplined manner, but promises and contradictions have outstretched the boundaries of their patience—promises which have kept the workers in the midst of uncertainty since February 1988. The trade union secretary requested that the prime minister intervene. It appeared that the case of Pet would move from dead center. The State Developmental Institute, the Ministry of Industry, the Ministry of Finance, the Hungarian Credit Bank, Inc., and the Borsod Chemical Combine, together with the organization in charge of the bankruptcy reorganization prepared a letter of intent to establish a stock corporation. All this took place in February, but thus far nothing of the intention has materialized. Nevertheless, a Ministry of Finance recommendation concerning liquidation has appeared which, understandably, struck to the hearts of Pet workers.

The trade union secretary found the recommendation inequitable, and proved his finding with figures. He said that because of the cancellation of the enterprise's 1.7-billion-forint short-term operating fund credit in December 1988, the prolongation of the bankruptcy reorganization, and the resulting uncertainty, the enterprise began this year under extreme difficulties. Despite this fact, by their own strength and as a result of operations during the first half of the year, they reduced their more than 2 billion forint indebtedness by half, so that they have paid off 230 million forints of their investment credit since then. Incidentally, this credit was originally scheduled to be paid off in 1992.

True, they owe about 1 billion forints to their suppliers, but the enterprise has outstanding claims of the same amount from their domestic and foreign customers. Their profits during the first half of the year amounted to 119 million forints, and even under tough world market conditions they effected 41 million dollars worth of exports during the first 6 months.

These are the facts. Quite naturally, all of this is without suppression of information concerning the enterprise's

indebtedness, which the budget is no longer willing to accept. For this reason it is even more incomprehensible why the manufacture of fertilizer, which is indispensable from the country's standpoint, and why the fate of the 3,000 decent workers has been so uncertain ever since. Perhaps the authorities should not have waited for the strike. Although it was only a warning, no one knows how long emotions can be kept under control.

Agreements Signed for U.S. Joint Enterprises

25000375a Budapest NEPSZABADSAG in Hungarian
12 Jul 89 p 4

[Includes interview with Mihaly Muszbek, member of Skala-Coop, Inc. board of directors, in Budapest, 11 July]

[Text] Tuesday morning at the Dorottya Street headquarters of Investcenter in Budapest contracts, preliminary agreements and letters of intent were signed concerning the establishment of four Hungarian-American joint enterprises, in the presence of Minister of Commerce Tamas Beck and American Ambassador Mark Palmer.

The joint enterprise formed by Estee Lauder and Aranyok [Golden Spider] is meant to establish and to operate cosmetics boutiques. The joint enterprise is 20 percent Hungarian owned. The first boutique will open on Vaci Street in October. Estee Lauder products will be sold for forints and at lower prices than in Austria. This firm produces not only the products named after it, but also products bearing the trade marks Aramis, Clinique, and Prescriptives.

Black and Decker signed a preliminary agreement with its Hungarian partner EVIG and five commercial enterprises for the establishment of a joint enterprise for the manufacture of the American firm's products in Hungary. Cooperation began a long time ago: Black and Decker's hobby machines have been sold in Hungary since 1972, and the assembly of some of the machines has been done by EVIG since 1985. Joint enterprise production will begin in January 1990.

Young and Rubicam is the world's largest advertising network. It operates in 42 countries with a sales volume of \$5.4 billion. Yesterday the company signed a letter of

intent with the Hungarian Credit Bank and with Skala-Coop. According to the letter an advertising joint enterprise will be formed with 60 percent Hungarian participation.

A preliminary agreement was reached between Skala-Coop and Remington, and on behalf of Remington by IBI Schroder Bank of New York. The agreement provides for the establishment of an American-Hungarian joint enterprise by 30 September, with an initial capital of \$10 million, and with a 49 percent Hungarian share. Its purpose is to expand cooperation in importing and exporting, cooperative production, and the operation of department stores in Hungary. In this connection we talked with Mihaly Muszbek, member of board of directors of Skala-Coop, Inc.

[NEPSZABADSAG] You wouldn't be selling a few Skala department stores by any chance, would you?

[Muszbek] For the time being our plans call for the leasing of department stores by the joint enterprise, the technical renovation of those stores, and the application of the most up-to-date American sales technology. This 5- to 10-year program will be supplemented by the consumer product sales volume increasing in multiples, and possibly by having a few Remington household appliances assembled in Hungary.

[NEPSZABADSAG] Which department stores will be under joint enterprise management?

[Muszbek] No decision has been reached in that regard. The only matter we have agreed upon is that the joint enterprise will lease 50,000 square meters of floor space, and if this is successful, and if they acquire appropriate resources through the leasing arrangement, the joint enterprise will build a new department store.

[NEPSZABADSAG] And what happens when the 5-year lease agreement expires?

[Muszbek] According to the agreement to be signed this coming September, following the expiration of the lease agreement the joint enterprise will purchase the department stores from their present owners.

[NEPSZABADSAG] No one represented Remington in today's signing of the preliminary agreement. Why?

[Muszbek] The signatures of Remington representatives were received at 10 o'clock this morning by telefax; the agreement is brand new.

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